

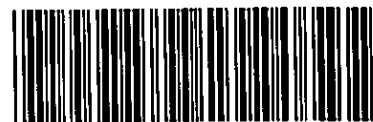
**Registration number 02481967**

**Rock Industrial & Welding Supplies Limited**

**Directors' report and financial statements**

**for the year ended 31 December 2010**

THURSDAY



\*A7PXGXR7\*

A40

22/09/2011

194

COMPANIES HOUSE

## **Rock Industrial & Welding Supplies Limited**

### **Company information**

<b>Directors</b>	R C Godley S Evans P J Chapman R Walker
<b>Company number</b>	02481967
<b>Registered office</b>	Redfield Road Lenton Nottingham NG7 2UJ
<b>Auditors</b>	Hobsons Alexandra House 43 Alexandra Street Nottingham NG5 1AY
<b>Bankers</b>	National Westminster Bank Plc 16 South Parade Nottingham NG1 2JX

## **Rock Industrial & Welding Supplies Limited**

### **Contents**

	<b>Page</b>
Directors' report	<b>1 - 2</b>
Auditors' report	<b>3 - 4</b>
Profit and loss account	<b>5</b>
Balance sheet	<b>6</b>
Cash flow statement	<b>7</b>
Notes to the financial statements	<b>8 - 17</b>

## **Rock Industrial & Welding Supplies Limited**

### **Directors' report for the year ended 31 December 2010**

The directors present their report and the financial statements for the year ended 31 December 2010

#### **Principal activity**

The principal activity of the company in the year under review was that of retailers of welding equipment and materials

#### **Business review**

The directors are pleased with the trading performance and the financial position of the company at the year end given continued difficult trading conditions

The directors review levels of turnover and gross margins as key performance indicators. Turnover has increased in the year as economic conditions have improved. However, the gross margin has reduced slightly due to an increasingly competitive market.

The principal risks and uncertainties for the business relate to the current economic environment climate and the impact this has on the company's customers and supply chain. Trading conditions remain difficult, but the company is well placed to respond to these risks.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £15,135. No dividends were paid during the year and the directors do not recommend payment of a final dividend.

#### **Directors**

The directors who served during the year are as stated below

R C Godley  
S Evans  
P J Chapman  
R Walker

#### **Professional indemnity insurance**

Insurance cover is maintained to indemnify the directors of the company against liabilities and claims that may arise during the performance of their duties.

#### **Statement of directors' responsibilities**

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

The Companies Act 2006 (the 'Act') requires the directors to prepare financial statements for each financial year. Pursuant to the Act 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 Act requires that the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to

**Rock Industrial & Welding Supplies Limited**

**Directors' report  
for the year ended 31 December 2010**

continued

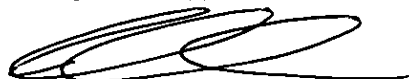
- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Act. 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.

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

This report was approved by the Board on 6 September 2011 and signed on its behalf by



**R. C. Godley**  
Director

**Independent auditor's report to the shareholders of  
Rock Industrial & Welding Supplies Limited**

We have audited the financial statements of Rock Industrial & Welding Supplies Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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 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 Directors' report and financial statements to identify material inconsistencies with the audited financial statements. 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 company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006.**

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

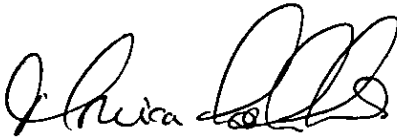
**Independent auditor's report to the shareholders of  
Rock Industrial & Welding Supplies Limited**

continued

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Monica Szolin-Jones FCA (senior statutory auditor)**

**For and on behalf of Hobsons**

**Chartered Accountants and**

**Statutory Auditors**

**Alexandra House**

**43 Alexandra Street**

**Nottingham**

**NG5 1AY**

**20 September 2011**

# **Rock Industrial & Welding Supplies Limited**

## **Profit and loss account for the year ended 31 December 2010**

		<b>Continuing operations</b>	
		<b>2010</b>	<b>2009</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	3,030,979	2,551,558
Cost of sales		(2,287,406)	(1,869,845)
<b>Gross profit</b>		<u>743,573</u>	<u>681,713</u>
Administrative expenses		(719,541)	(700,478)
<b>Operating profit/(loss)</b>	<b>3</b>	<u>24,032</u>	<u>(18,765)</u>
Other interest receivable and similar income	<b>5</b>	-	96
Interest payable and similar charges	<b>6</b>	(427)	(260)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>23,605</u>	<u>(18,929)</u>
Tax on profit/(loss) on ordinary activities	<b>9</b>	(8,470)	(457)
<b>Profit/(loss) for the year</b>	<b>16</b>	<u>15,135</u>	<u>(19,386)</u>
Retained profit brought forward		<u>905,837</u>	<u>925,223</u>
<b>Retained profit carried forward</b>		<u><u>920,972</u></u>	<u><u>905,837</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years

**The notes on pages 8 to 17 form an integral part of these financial statements.**

# **Rock Industrial & Welding Supplies Limited**

## **Balance sheet as at 31 December 2010**

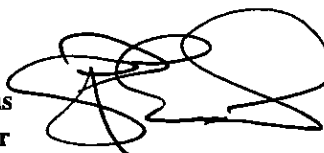
		<b>2010</b>		<b>2009</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>10</b>		135,736		128,201
<b>Current assets</b>					
Stocks	<b>11</b>	360,488		250,578	
Debtors	<b>12</b>	707,749		555,095	
Cash at bank and in hand		366,431		417,173	
		<u>1,434,668</u>		<u>1,222,846</u>	
<b>Creditors: amounts falling due within one year</b>	<b>13</b>	<u>(631,080)</u>		<u>(435,250)</u>	
<b>Net current assets</b>			<u>803,588</u>		<u>787,596</u>
<b>Total assets less current liabilities</b>			939,324		915,797
<b>Creditors: amounts falling due after more than one year</b>	<b>14</b>		(8,392)		-
<b>Net assets</b>			<u>930,932</u>		<u>915,797</u>
<b>Capital and reserves</b>					
Called up share capital	<b>15</b>		9,960		9,960
Profit and loss account	<b>16</b>		920,972		905,837
<b>Shareholders' funds</b>	<b>17</b>		<u>930,932</u>		<u>915,797</u>

The financial statements were approved by the Board on **6 September 2011** and signed on its behalf by

**R. C. Godley**  
Director



**S. Evans**  
Director



**Registration number 02481967**

**The notes on pages 8 to 17 form an integral part of these financial statements.**

# **Rock Industrial & Welding Supplies Limited**

## **Cash flow statement for the year ended 31 December 2010**

	Notes	2010 £	2009 £
<b>Reconciliation of operating profit/(loss) to net cash inflow from operating activities</b>			
Operating profit/(loss)		24,032	(18,765)
Depreciation and loss in disposal of fixed assets		21,114	22,348
(Increase) in stocks		(109,910)	(7,900)
(Increase) in debtors		(152,654)	(42,021)
Increase in creditors		256,351	4,300
<b>Net cash inflow from operating activities</b>		<u>38,933</u>	<u>(42,038)</u>
<b>Cash flow statement</b>			
Net cash outflow from operating activities		38,933	(42,038)
Returns on investments and servicing of finance	24	(427)	(164)
Taxation	24	(75,218)	(70,877)
Capital expenditure	24	(12,249)	(22,873)
		(48,961)	(135,952)
Financing	24	(1,781)	(2,667)
<b>Decrease in cash in the year</b>		<u>(50,742)</u>	<u>(138,619)</u>
<b>Reconciliation of net cash flow to movement in net debt (Note 25)</b>			
<b>Decrease in cash in the year</b>		(50,742)	(138,619)
Cash outflow from decrease in debts and lease financing		1,781	2,667
Change in net debt resulting from cash flows		(48,961)	(135,952)
New finance leases and hire purchase contracts		(16,400)	-
<b>Movement in net debt in the year</b>		(65,361)	(135,952)
<b>Net funds at 1 January 2010</b>		417,173	553,125
<b>Net funds at 31 December 2010</b>		<u>351,812</u>	<u>417,173</u>

## **Rock Industrial & Welding Supplies Limited**

### **Notes to the financial statements for the year ended 31 December 2010**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

The company has consistently applied all relevant accounting standards

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

##### **1.3. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Freehold buildings and tenants improvements	10% straight line
Plant and machinery	- 20% reducing balance
Fixtures, fittings and equipment	- 15% reducing balance/25% straight line
Motor vehicles	- 20% straight line new commercial vehicles/25% reducing balance other vehicles

##### **1.4. 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 constant periodic rates of charge on the net obligations outstanding in each period

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

##### **1.5. Stock**

Stock is valued at the lower of cost and net realisable value. Cost comprises purchase price. Net realisable value means estimated selling price less all costs to be incurred in marketing, selling and distribution

##### **1.6. Pensions**

The pension costs charged in the financial statements represent the contributions payable by the company during the year

##### **1.7. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

# **Rock Industrial & Welding Supplies Limited**

## **Notes to the financial statements for the year ended 31 December 2010**

continued

### **2. Turnover**

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

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>3. Operating profit/(loss)</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss) is stated after charging		
Depreciation and other amounts written off tangible assets	19,353	21,611
Loss on disposal of tangible fixed assets	1,761	737
Operating lease rentals		
- Land and buildings	12,911	20,196
- Motor vehicles	15,872	15,853
Auditors' remuneration (Note 4)	4,270	7,873
and after crediting		
Net foreign exchange gain	-	(199)

### **4. Auditors' remuneration**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit of the financial statements	4,270	7,873

### **5. Interest receivable and similar income**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank interest	-	96

### **6. Interest payable and similar charges**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank interest payable	72	-
Hire purchase interest	355	260
	427	260

# **Rock Industrial & Welding Supplies Limited**

## **Notes to the financial statements for the year ended 31 December 2010**

continued

### **7. Employees**

#### **Number of employees**

The average monthly numbers of employees (including the directors if they are employed by this company) during the year were

	<b>2010 Number</b>	<b>2009 Number</b>
Management and sales	<u>13</u>	<u>15</u>

#### **Employment costs**

	<b>2010 £</b>	<b>2009 £</b>
Wages and salaries	330,892	326,093
Social security costs	37,318	36,333
Pension costs	<u>9,721</u>	<u>8,334</u>
	<u><u>377,931</u></u>	<u><u>370,760</u></u>

### **7.1. Directors' remuneration**

	<b>2010 £</b>	<b>2009 £</b>
Remuneration and other emoluments	<u>72,678</u>	<u>62,100</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

### **8. Pension costs**

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £9,721 (2009 - £8,334).

# **Rock Industrial & Welding Supplies Limited**

## **Notes to the financial statements for the year ended 31 December 2010**

continued

### **9. Tax on profit/(loss) on ordinary activities**

<b>Analysis of charge in period</b>	<b>2010 £</b>	<b>2009 £</b>
<b>Current tax</b>		
UK corporation tax	-	-
Adjustments in respect of previous periods	(478)	(75,239)
Group relief	8,948	75,696
	<u>8,470</u>	<u>457</u>

### **Factors affecting tax charge for period**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (28.00 per cent). The differences are explained below

	<b>2010 £</b>	<b>2009 £</b>
Profit/(loss) on ordinary activities before taxation	<u>23,605</u>	<u>(18,929)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.00% (31 December 2009: 28.00%)	6,609	(5,300)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2,329	3,345
Capital allowances for period in excess of depreciation	10	1,896
Adjustments to tax charge in respect of previous periods	(478)	516
Current tax charge for period	<u>8,470</u>	<u>457</u>

**Rock Industrial & Welding Supplies Limited**

**Notes to the financial statements  
for the year ended 31 December 2010**

continued

10. Tangible fixed assets	Land and buildings £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2010	98,963	3,397	44,455	79,703	226,518
Additions	-	-	7,602	31,700	39,302
Disposals	(5,696)	-	(327)	(35,979)	(42,002)
At 31 December 2010	<u>93,267</u>	<u>3,397</u>	<u>51,730</u>	<u>75,424</u>	<u>223,818</u>
<b>Depreciation</b>					
At 1 January 2010	18,442	2,621	30,823	46,431	98,317
On disposals	(427)	-	(191)	(28,970)	(29,588)
Charge for the year	2,084	155	3,466	13,648	19,353
At 31 December 2010	<u>20,099</u>	<u>2,776</u>	<u>34,098</u>	<u>31,109</u>	<u>88,082</u>
<b>Net book values</b>					
At 31 December 2010	<u>73,168</u>	<u>621</u>	<u>17,632</u>	<u>44,315</u>	<u>135,736</u>
At 31 December 2009	<u>80,521</u>	<u>776</u>	<u>13,632</u>	<u>33,272</u>	<u>128,201</u>

The net book value of land and buildings is made up as follows

Freehold buildings - £60,001 (2009 - £60,390)  
Tenants improvements - £13,167 (2009 - £20,131)

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

Asset description	2010 Net book value £	2010 Depreciation charge £	2009 Net book value £	2009 Depreciation charge £
Motor vehicles	<u>15,307</u>	<u>1,093</u>	<u>-</u>	<u>-</u>
<b>11. Stocks</b>			<b>2010 £</b>	<b>2009 £</b>
Finished goods and goods for resale			<u>360,488</u>	<u>250,578</u>

# **Rock Industrial & Welding Supplies Limited**

## **Notes to the financial statements for the year ended 31 December 2010**

continued

<b>12. Debtors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	543,482	424,359
Amounts owed by group undertakings	153,971	115,665
Other debtors	10,296	15,071
	<u>707,749</u>	<u>555,095</u>

<b>13. Creditors: amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	6,227	-
Trade creditors	405,031	251,729
Amounts owed to group undertakings	179,222	145,725
Other taxes and social security costs	22,685	27,400
Other creditors	17,915	10,396
	<u>631,080</u>	<u>435,250</u>

The bank holds as security a fixed charge over company book debts. In addition Industrial Supplies & Services Limited, the parent company, has given a guarantee limited to £50,000.

Finance lease and hire purchase liabilities are secured against the assets to which they relate.

<b>14. Creditors: amounts falling due after more than one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Net obligations under finance leases and hire purchase contracts	<u>8,392</u>	<u>-</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	6,227	-
Repayable between one and five years	8,392	-
	<u>14,619</u>	<u>-</u>

# Rock Industrial & Welding Supplies Limited

## Notes to the financial statements for the year ended 31 December 2010

continued

<b>15. Share capital</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
20,000 Ordinary shares of £1 each	20,000	20,000
<b>Allotted, called up and fully paid</b>		
9,960 Ordinary shares of £1 each	9,960	9,960
<b>16. Equity reserves</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>At 1 January 2010</b>	905,837	905,837
Profit for the year	15,135	15,135
<b>At 31 December 2010</b>	920,972	920,972
<b>17. Reconciliation of movements in shareholders' funds</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Profit/(loss) for the year	15,135	(19,386)
Opening shareholders' funds	915,797	935,183
Closing shareholders' funds	930,932	915,797

## 18. Financial commitments

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expiry date:</b>				
Within one year	-	-	-	4,754
Between one and five years	12,810	12,810	10,867	8,651
	12,810	12,810	10,867	13,405

# **Rock Industrial & Welding Supplies Limited**

## **Notes to the financial statements for the year ended 31 December 2010**

continued

### **19. Contingent liabilities**

The company has entered into an agreement with the minority shareholder whereby upon the death, retirement or termination of employment of the minority shareholder, the company (or its parent company) may purchase the ordinary shares at a price determined by that agreement

### **20. Transactions with directors**

#### **Advances to directors**

The following directors had interest free loans during the year The movements on these loans are as follows

	<b>Amount owing</b>		<b>Maximum</b>
	<b>2010</b>	<b>2009</b>	<b>in year</b>
	<b>£</b>	<b>£</b>	<b>£</b>
S Evans	<u>1,701</u>	<u>1,701</u>	<u>1,701</u>

## **Rock Industrial & Welding Supplies Limited**

### **Notes to the financial statements for the year ended 31 December 2010**

continued

#### **21. Related party transactions**

##### **Sale of goods**

During the year the company sold goods to associated subsidiary undertakings totalling £446,593 (2009 - £300,670)

No sales of goods were made to the immediate parent undertaking

##### **Purchases**

During the year the company purchased goods from associated subsidiary undertakings totalling £315,224 (2009 - £303,849)

No goods were purchased from the immediate parent undertaking

All purchases and sales of goods to group companies are at cost

##### **Management and administration charges**

During the year the company incurred administration charges from the immediate parent undertaking totalling £109,068 (2009 - £35,294)

##### **Purchase of fixed assets and capital contributions**

The company bought a motor vehicle during the year from an associated subsidiary undertaking for consideration of £5,600. An associated subsidiary undertaking also contributed £5,700 towards tenants improvements made in the year

##### **Balances with related parties**

At 31 December 2010 there were the following balances with related parties

Amounts due from immediate parent undertaking - £Nil (2009 - £Nil)

Amounts due from associated subsidiary undertakings - £153,971 (2009 - £115,665)

Amounts due to associated subsidiary undertakings - £94,452 (2009 - £135,261)

Amounts due to immediate parent undertaking - £84,770 (2009 - £10,464)

#### **22. Ultimate parent undertaking**

The company is an 87.5% subsidiary of Industrial Supplies & Services Limited, a company registered in England & Wales

The ultimate parent company is Linde AG, Klosterhofstrasse 1, 80331 Munich, Germany

The smallest and largest group preparing consolidated accounts, including this company, is headed by Linde AG. Copies of the consolidated financial statements may be made available by contacting the ultimate parent company at the address detailed above

# Rock Industrial & Welding Supplies Limited

## Notes to the financial statements for the year ended 31 December 2010

continued

### 23. Controlling interest

The board comprises of three directors representing Industrial Supplies & Services Limited, the immediate parent undertaking, and S Evans, the minority shareholder

### 24. Gross cash flows

	2010 £	2009 £
<b>Returns on investments and servicing of finance</b>		
Interest received	-	96
Interest paid	(427)	(260)
	<u>(427)</u>	<u>(164)</u>
<b>Taxation</b>		
Group relief paid for use of group tax losses	<u>(75,218)</u>	<u>(70,877)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(22,902)	(27,438)
Receipts from sales of tangible assets	10,653	4,565
	<u>(12,249)</u>	<u>(22,873)</u>
<b>Financing</b>		
Capital element of finance leases and hire purchase contracts	<u>(1,781)</u>	<u>(2,667)</u>

### 25. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	417,173	(50,742)		366,431
Finance leases and hire purchase contracts	-	1,781	(16,400)	(14,619)
<b>Net funds</b>	<u>417,173</u>	<u>(48,961)</u>	<u>(16,400)</u>	<u>351,812</u>