Rental Holding Company Limited

Directors' report and financial statements

Registered number 03561304

31 March 2008

Contents

Directors' report

The directors present their annual report and financial statements of Rental Holding Company Limited ("the company") for the year ended 31 March 2008

Principal activity

During the year ended 31 March 2008, the company continued to act as an intermediate holding company for certain subsidiary undertakings of the Carmelite Capital Limited ("CCL") Group Its interest in these companies is managed through its wholly owned subsidiary company, Future Rentals Limited ("FRL") and FRL's two wholly owned subsidiary companies, Thorn Limited and Thorn International Holdings Limited (in Members Voluntary Liquidation) ("TIHL") The company also holds a 50% interest in the ordinary share capital of Box Clever Technology Limited and the subordinated loan notes (including accrued interest) issued by its subsidiary undertaking Box Clever Finance Limited

Business review

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts These financial statements present information about the company as an individual undertaking and not about its group

Changes in ownership

On 27 May 2007, Terra Firma Investments (GP) Limited ("TFIGP"), a wholly owned subsidiary of TFCP Holdings Limited, the ultimate controlling party of the company, agreed to dispose of its entire interest in CCL, the company's ultimate parent company to Pension Corporation Investments No 2 LP Inc (formerly Co-investment Acquisition No 2 LP Incorporated) ("PCI2"), and to dispose of its entire interest in the unsecured zero coupon subordinated loan notes issued by FRL to Terra Firma Capital Partners I ("TFCPI"), an English Limited Partnership, to Co-investment Acquisition No 4 LP Incorporated The disposals subsequently completed on 19 July 2007

Financial Overview

The company made a loss before taxation for the year of £88,453,000 *(2007 loss of £50,111,000)* The loss is primarily attributable to an impairment of £84,807,000 *(2007 £50,270,000)* in the company's investment in FRL, the waiver of an inter-group loan with Thorn Finance Limited (in Members Voluntary Liquidation) ("TFL"), a subsidiary undertaking, of £3,737,000 *(2007 £nil)* The waiver was executed as part of a planned group simplification programme under which a number of inter group balances were repaid or waived, that enabled certain group companies to be placed into Members Voluntary Liquidation

The company also received interest of £159,000 *(2007 £176,000)* on amounts due from fellow group companies and paid operating expenses of £68,000 *(2007 £17,000)*

Disposal of Thorn Rentals NZ Limited ("TRNZ") and RR Australia Limited (formerly Thorn Asia Pacific Holdings Pty Limited) ("RRAL")

On 3 November 2006 TIHL disposed of 100% of its ownership interest in TRNZ On 8 December 2006 TIHL disposed of the majority of its ownership interest in RRAL, by way of an initial public offering ("IPO")

On 19 June 2007, following negotiation with the underwriter, TIHL disposed of its remaining 10% stake in RRAL and on 22 June 2007 it received net disposal proceeds of £4 3m (A$10 1m)

On 6 August 2007, TIHL and TFL received a waiver from National Westminster Bank ("NWB") which permanently released them from their obligations to utilise the proceeds from the disposal of TIHL's remaining 10% stake in RRAL and any future proceeds from the disposal of TRNZ and RRAL to purchase further credit facilities provided by NWB to Quadriga Holdings Limited ("QHL"), a former fellow subsidiary undertaking

On 17 August 2007 TIHL received notification that the £2 0m ($A5 0m) of RRAL sale proceeds that it had placed in escrow to support an indemnity it had given in connection with the IPO of RRAL had been formally released TIHL subsequently used these funds to further part repay an interest bearing loan made available to it by TFL on 11 September 2007

Directors' report *(continued)*

Business review *(continued)*

Disposal of Caversham Finance Limited ("CFL") and BrightHouse Limited ("BHL")

On 2 April 2007, Thorn Limited acquired the entire issued share capital of BHL, a company incorporated in England & Wales, for consideration of £2

On 3 April 2007, Thorn Limited transferred its investment in CFL to BHL, in exchange for 60,000,000 ordinary shares of £1 each in BHL

On 9 June 2007, PCI2 agreed to procure the disposal of BHL, by Thorn Limited, to B Haig Acquisition Limited This transaction subsequently completed on 19 July 2007 for a total gross consideration of £150 0m

Guarantee obligations

On 19 July 2007 CFL repaid its credit facility provided by NWB and the company was released from its guarantee and security obligations with respect to this debt On 14 September 2007 the company was permanently released from its guarantee and security obligations in respect of credit facilities provided by NWB to QHL

Quadriga credit facilities

On 22 August 2007, CCL disposed of its interest in Interactive Hotel Services Limited and its subsidiaries ("the Quadriga Group"), including QHL, to Co-investment Acquisition No 10 LP Incorporated In order to allow the disposal to complete and to facilitate the release of the company, TFL and other companies within the CCL Group from any further obligations to the Quadriga Group, TFL agreed to novate the debt owed to it by QHL of £20 3m to PCI2 for £1 0m on 23 August 2007

Acquisition of fellow CCL Group undertakings

On 19 December 2007 Thorn Limited acquired Scandinavian Consumer Technology Limited ("SCTL"), a fellow CCL group subsidiary undertaking and its subsidiary undertakings, for nominal consideration from CCL

Companies entered into Members Voluntary Liquidation ("MVL")

On the dates shown below, the following subsidiary undertakings of the company were placed into MVL as part of the CCL Group's planned group simplification programme

7 November 2007	VCR Holding Company Limited, Viking Consumer Receivables (No 1) plc, Thorn Nordic Holdings BV, Scandinavian Consumer Technology Holdings plc
21 December 2007	Scandinavian Consumer Technology Limited
3 January 2008	Thorn (Guernsey) Limited (on 26 June 2008 Thorn (Guernsey) Limited was subsequently dissolved)
9 January 2008	TIHL, Thorn Developments Holdings Limited, Thorn International BV

Dormant subsidiary undertakings

On 30 September 2007 the two remaining indirect Australian subsidiary undertakings of the company, Thorn Direct Credit Pty Limited and Thorn Australia Superannuation Plan Pty Limited were deregistered Both of these entities had been dormant for a number of years prior to their removal from the Australian companies register

Strategy

The strategy adopted by the company during the year has been to maximise the value of the portfolio of investments that it holds in the operating subsidiaries of the CCL Group and provide finance to these operating companies where applicable Following the disposal of its operating subsidiaries this strategy has largely been completed and the company is now focussed on ensuring its assets and those of its remaining subsidiary undertakings are realised and their liabilities settled

Directors' report *(continued)*

Financial risk management objectives and policies

The company's assets consist of investments in the CCL Group It has no significant liabilities

Credit risk

The risk of impairments in value being required against these assets and policy for repayment of intra group loans is managed as part of the overall financial strategy for the CCL Group Consistent with this policy, the investments of the company were fully impaired during the year

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through a combination of cash pooling, shareholder funding and borrowing for its subsidiary companies Liquidity risk is monitored on an ongoing basis by undertaking cash flow forecasting procedures In order to ensure continuity of funding, the company seeks to arrange funding ahead of business requirements and maintain sufficient un-drawn committed borrowing facilities

Dividends

The directors do not recommend the payment of a dividend *(2007 £nil)*

Post balance sheet events

Thorn Finance Limited

On 29 April 2008 TFL was entered into Members Voluntary Liquidation as part of the CCL Group's planned group simplification programme

Directors

The directors who held office during the year and subsequently were as follows

L Cooklin	(appointed 19 July 2007, resigned 22 November 2007)
K Gozzett	(appointed 19 July 2007, resigned 31 July 2007)
A D Gurnham	(appointed 19 July 2007)
A G Jones	(appointed 19 July 2007, resigned 5 October 2007)
C P T O'Haire	(resigned 19 July 2007)
A J Spillane	(appointed 19 July 2007)
Q R Stewart	(resigned 19 July 2007)
D M Thomson	(appointed 19 July 2007, resigned 19 July 2007)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information 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 to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditor

Pursuant to section 386 of the Companies Act 1985, elective resolutions are in place to dispense with the obligation to appoint auditors annually and KPMG Audit Plc will therefore remain in office

By order of the board

R J Walter
Secretary
8 July 2008

Carmelite
50 Victoria Embankment
Blackfriars
London
EC4Y 0DX

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The dırectors are responsıble for preparıng the Dırectors' Report and the financıal statements ın accordance wıth applıcable law and regulatıons

Company law requıres the dırectors to prepare financıal statements for each financıal year Under that law they have elected to prepare the financıal statements ın accordance wıth UK Accountıng Standards (UK Generally Accepted Accountıng Practıce)

The financıal statements are requıred by law to gıve a true and faır vıew of the state of affaırs of the company and of the profit or loss of the company for that perıod

In preparıng these financıal statements, the dırectors are requıred to

- select suıtable accountıng polıcıes and then apply them consıstently,
- make ȷudgments and estımates that are reasonable and prudent,
- state whether applıcable UK Accountıng Standards have been followed, subȷect to any materıal departures dısclosed and explaıned ın the financıal statements, and
- prepare the financıal statements on the goıng concern basıs unless ıt ıs ınapproprıate to presume that the company wıll contınue ın busıness

The dırectors are responsıble for keepıng proper accountıng records that dısclose wıth reasonable accuracy at any tıme the financıal posıtıon of the company and enable them to ensure that ıts financıal statements comply wıth the Companıes Act 1985 They have general responsıbılıty for takıng such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other ırregularıtıes

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD
United Kingdom

Independent auditors' report to the members of Rental Holding Company Limited

We have audited the financial statements of Rental Holding Company Limited for the year ended 31 March 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholder's Funds and the related notes 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 auditor's 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4

Our responsibility is to audit the financial statements in accordance with relevant 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 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

In addition we report to you if, in our opinion, 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 other transactions is not disclosed

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it

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 judgments 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

Independent auditors' report to the members of Rental Holding Company Limited *(continued)*

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its loss 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

KPMG Audit Plc   15 August 2008

KPMG Audit Plc
Chartered Accountants
Registered Auditor

Profit and loss account

for the year ended 31 March 2008

	Note	2008 £000	2007 £000
Impairment of fixed asset investments	7	**(84,807)**	(50,270)
Other operating expenses	2-4	**(68)**	(17)
Operating loss		**(84,875)**	(50,287)
Interest receivable and similar income	5	**159**	176
Intercompany loan waiver	8	**(3,737)**	-
Loss on ordinary activities before taxation		**(88,453)**	(50,111)
Tax on loss on ordinary activities	6	**-**	5
Loss for the financial year	11	**(88,453)**	(50,106)

All results relate to continuing operations

There is no material difference between the result on a historical cost basis and that described in the profit and loss account

The company has no recognised gains or losses other than the result retained for the year

Balance sheet
at 31 March 2008

	Note	**2008 £000**	**2008 £000**	2007 £000	2007 £000
Fıxed assets					
Investments	*7*		-		84,807
Current assets					
Debtors	*8*	-		3,657	
Cash at bank and ın hand		-		12	
		-		3,669	
Credıtors: amounts fallıng due wıthın one year	*9*	-		(23)	
Net current assets			-		3,646
Net assets			-		88,453
Capıtal and reserves					
Called up share capıtal	*10*		**255,740**		255,740
Profit and loss account	*11*		**(255,743)**		(167,290)
Other reserves	*11*		**3**		3
Shareholder's funds			-		88,453

These financıal statements were approved by the board of dırectors on 8 July 2008 and were sıgned on ıts behalf by

A J Spillane
Dırector

Reconciliation of movements in shareholder's funds
for the year ended 31 March 2008

	2008	2007
	£000	£000
Loss for the financial year	**(88,453)**	(50,106)
New shares ıssued	-	877
Net ıncrease ın shareholder's funds	**(88,453)**	(49,229)
Openıng shareholder's funds	**88,453**	137,682
Closing shareholder's funds	-	88,453

Notes
(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts These financial statements present information about the company as an individual undertaking and not about its group

Under FRS 1 'Cash flow statements' the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Carmelite Capital Limited ('CCL"), the company has taken advantage of the exemption contained in FRS 8 'Related party disclosures' and has therefore not disclosed transactions or balances with entities which form part of the CCL group (or investees of the group qualifying as related parties) The consolidated financial statements of CCL, within which this company is included, can be obtained from the address given in note 14

Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment calculated as the lower of the sale value of the investment less costs and the value in use

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes Deferred tax is recognised in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 'Deferred tax'

Classification of financial instruments issued by the company

Financial instruments issued by the company are treated as equity (i e forming part of shareholder's funds) only to the extent that they meet the following two conditions

a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company, and

b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

Notes *(contınued)*

1 Accounting policies *(contınued)*

Classıficatıon of financıal ınstruments ıssued by the company (contınued)

To the extent that thıs definıtıon ıs not met, the proceeds of ıssue are classıfied as a financıal lıabılıty Where the ınstrument so classıfied takes the legal form of the company's own shares, the amounts presented ın these financıal statements for called up share capıtal and share premıum account exclude amounts ın relatıon to those shares

Where a financıal ınstrument that contaıns both equıty and financıal lıabılıty components exısts these components are separated and accounted for ındıvıdually under the above polıcy The finance cost on the financıal lıabılıty component ıs correspondıngly hıgher over the lıfe of the ınstrument

Fınance payments assocıated wıth financıal lıabılıtıes are dealt wıth as part of ınterest payable and sımılar charges Fınance payments assocıated wıth financıal ınstruments that are classıfied as part of shareholder's funds (see dıvıdends polıcy), are dealt wıth as approprıatıons ın the reconcılıatıon of movements ın shareholder's funds

Dıvıdends on shares presented wıthın shareholder's funds

Dıvıdends unpaıd at the balance sheet date are only recognısed as a lıabılıty at that date to the extent that they are approprıately authorısed and are no longer at the dıscretıon of the company Unpaıd dıvıdends that do not meet these crıterıa are dısclosed ın the notes to the financıal statements

Cash and lıquıd resources

Cash comprıses cash ın hand and deposıts repayable on demand, less overdrafts payable on demand

Lıquıd resources are current asset ınvestments whıch are dısposable wıthout curtaılıng or dısruptıng the busıness and are eıther readıly convertıble ınto known amounts of cash at or close to theır carryıng values or traded ın an actıve market

2 Auditors remuneratıon

The fees for the audıt of these financıal statements were £5,000 *(2007 £5,438)* These were borne by Thorn Lımıted, a subsıdıary undertakıng

3 Remuneratıon of dırectors

No dırector receıved any remuneratıon durıng the year ın respect of servıces to the company *(2007 £nıl)*

4 Staff numbers and costs

The company has no employees and therefore ıncurs no wages or salary costs *(2007 £nıl)*

5 Interest receivable and sımılar ıncome

	2008	2007
	£000	£000
On amounts due from fellow group undertakıngs	**159**	176

Amounts receıvable from fellow group undertakings ınclude ınterest receıved on a rollıng term deposıt wıth Thorn Fınance Lımıted (ın Members Voluntary Lıquıdatıon) ("TFL") (see note 8)

Notes *(contınued)*

6 Taxatıon

	2008	2007
	£000	£000
UK corporatıon tax		
Current year	-	5
Current tax credıt on loss on ordınary actıvıtıes	-	5

Factors affectıng the tax charge for the current year

The current tax credıt for the year ıs lower *(2007 lower)* than the standard rate of corporatıon tax ın the UK (30%, *2007 30%)* The dıfferences are explaıned below

	2008	2007
	£000	£000
Current tax reconcılıatıon		
Loss on ordınary actıvıtıes before taxatıon	**(88,453)**	(50,111)
Current tax credıt at 30% (*2007 30%*)	**26,536**	15,033
Effects of		
Expenses not deductıble for tax purposes	**(26,564)**	(15,081)
Utılısatıon of non tradıng losses bought forward	**48**	53
Unutılısed tradıng losses	**(20)**	-
Total current tax credıt (see above)	-	5

Factors that may affect future tax charges

The company has the followıng tımıng dıfferences whıch may gıve rıse to reduced tax charges ın the future

Tax losses as at 31 March 2008 amounted to £53,130,000 (£14,876,000 tax value) *(2007 £53,156,000, £15,947,000 tax value)* The losses can be analysed between losses of £51,977,000 *(2007 £52,135,000)* whıch can only be offset agaınst future ınterest and other ıncome receıvable under loan relatıonshıp legıslatıon and losses of £1,154,000 *(2007 £1,021,000)* whıch can be offset agaınst profits arısıng from management actıvıty No deferred tax asset has been recognısed ın respect of these losses, as the abılıty of the company to obtaın tax relıef ıs dependant on suıtable profits arısıng ın the future, whıch cannot be estımated wıth suffıcıent certaınty

In ıts 2007 Budget, HM Treasury announced that the corporatıon tax rate wıll be reduced from 30% to 28% from 6 Aprıl 2008

Notes *(contınued)*

7 Fixed asset ınvestments

	Shares ın group undertakıngs £000
Cost	
At begınnıng and end of year	255,737
Provisions	
At begınnıng of year	170,930
Impaırment durıng the year	84,807
At end of year	255,737
Net book value	
At 31 March 2008	-
At 31 March 2007	84,807

As requıred by FRS 11 'Impaırment of fixed assets and goodwıll', an ımpaırment revıew was conducted Based on the net asset posıtıon of the company's subsıdıary undertakıngs adjusted for the value ın use of the underlyıng busınesses, the dırectors concluded that the ınvestment should be ımpaıred by £84,807,000 ın the year ended 31 March 2008

The undertakıngs ın whıch the company has an ınterest at the year end are as follows

Subsıdıary undertakıngs	**Country of ıncorporatıon**	**Percentage of shares held**
Future Rentals Lımıted *	England	100
Thorn Lımıted	England	100
Consumer Electronıcs Insurance Company Lımıted	England	100
Thorn Fınance Lımıted ^	England	100
Thorn (Guernsey) Lımıted ~ /	Guernsey	100
Thorn Internatıonal Holdıngs Lımıted ~	England	100
Thorn Nordıc Holdıngs BV +	Netherlands	100
Thorn Internatıonal BV +	Netherlands	100
Thorn Developments Holdıngs Lımıted ~	England	100
Thorn (IP) Lımıted	England	100
Scandınavıan Consumer Technology Holdıngs plc ~	England	100
Scandınavıan Consumer Technology Lımıted ~	England	100
Thorn Pensıon Trustees Lımıted	England	100
Thorn Executıve Pensıon Trustees Lımıted	England	100
Box Clever Technology Lımıted *	England	50

* denotes ınvestment held dırectly by the company at 31 March 2008
^ denotes ınvestment entered ınto Members Voluntary Lıquıdatıon sınce 31 March 2008
~ denotes ınvestment ın Members Voluntary Lıquıdatıon at 31 March 2008
+ denotes ınvestment ın Voluntary Dıssolutıon at 31 March 2008
/ denotes ınvestment that has been dıssolved sınce 31 March 2008 (followıng the Members Voluntary Lıquıdatıon process)

Notes *(contınued)*

7 Fixed asset ınvestments *(contınued)*

The ınvestment ın Box Clever Technology Lımıted ("BCTL") comprıses 50% of the ordınary share capıtal of BCTL (namely £5 0m) and subordınated unsecured loan notes (ıncludıng accrued ınterest) ıssued by ıts subsıdıary undertakıng Box Clever Fınance Lımıted ("BCFL") In January 2003, the management of BCFL ınformed the dırectors that current tradıng performance was fallıng short of targets ımplıcıt ın the busıness model As requıred by FRS 11 'Impaırment of fixed assets and goodwıll', an ımpaırment revıew was conducted and the dırectors concluded that the net realısable value of the ınvestment, ıncludıng the ınterest accrued on the subordınated loan notes to January 2003, was £nıl

On 24 September 2003, certaın BCTL subsıdıarıes entered ınto admınıstratıve receıvershıp Subsequently the dırectors became aware that the assets of certaın subsıdıarıes of BCFL have been acquıred by thırd partıes

Although the company holds 50% of the ordınary share capıtal of BCTL, the dırectors consıder that neıther the company nor any of ıts subsıdıary undertakıngs exert sıgnıficant ınfluence over the operatıng and financıal polıcy of BCTL Thıs restrıctıon ıs expected to contınue for the foreseeable future and, consequently, thıs shareholdıng has been treated as a fixed asset ınvestment whıch ıs held at nıl value as at 31 March 2008 *(2007 £nıl)*

8 Debtors

	2008	2007
	£000	£000
Amounts due from fellow group undertakıngs	-	3,652
Corporatıon tax ıncludıng amounts due from fellow group undertakıngs for group relıef	-	5
	-	3,657

As at 31 March 2007, amounts due from fellow group undertakıngs comprısed a rollıng term deposıt wıth TFL of £3,652,000 ıncludıng accrued ınterest whıch ıs charged on the outstandıng balance at a floatıng rate equıvalent to LIBOR The ınterest rate at 31 March 2007 was 5 45% On 7 November 2007 the company agreed to waıve the loan due from TFL

9 Credıtors: amounts fallıng due wıthin one year

	2008	2007
	£000	£000
Accrued expenses	-	23

10 Called up share capıtal

	2008	2007
	£000	£000
Authorised		
25,637,017,300 *(2007 25,637,017,300)* ordınary shares of £0 01 each	**256,370**	256,370
Allotted, called up and fully paıd		
25,574,041,310 *(2007 25,486,294,110)* ordınary shares of £0 01 each	**255,740**	255,740

Notes *(continued)*

11 Reserves

	Other reserves £000	Profit and loss account £000
At beginning of year	3	(167,290)
Loss for the financial year	-	(88,453)
At end of year	**3**	**(255,743)**

12 Post balance sheet events

Thorn Finance Limited

On 29 April 2008 TFL was entered into Members Voluntary Liquidation as part of the CCL Group's planned group simplification programme

13 Related party transactions

From 1 April 2007 to 19 July 2007 TFCPI, an English Limited Partnership, acting through its general partner Terra Firma Investments (GP) Limited ("TFIGP"), a company incorporated in Guernsey, held 100% of the issued share capital of CCL, the largest group of which the company is a member and for which group financial statements are prepared

On 27 May 2007, TFIGP agreed to dispose of its entire interest in CCL, the company's parent undertaking, to Pension Corporation Investments No 2 LP Inc (formerly Co-investment Acquisition No 2 LP Incorporated) ("PCI2") This disposal subsequently completed on 19 July 2007

The directors therefore consider TFCPI and PCI2 to be related parties for the year ended 31 March 2008

The company had no significant transactions with TFCPI or PCI2 during the year

14 Ultimate parent company and parent undertakings of larger group

The directors regard Pension Corporation Investments LP Inc, a Guernsey incorporated limited partnership, as the ultimate parent company and ultimate controlling party

CCL is the largest and smallest group of which the company is a member and for which group financial statements are prepared Copies of the financial statements are available to the public and may be obtained from Carmelite, 50 Victoria Embankment, Blackfriars, London, EC4Y 0DX