
AEROSPACE TOOLING LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2010



Barnes Roffe LLP, Chartered Accountants
16 - 17 Copperfield, Spital Street, Dartford, Kent, DA1 2DE
PL: 29 October 2010

AEROSPACE TOOLING LIMITED

COMPANY INFORMATION

DIRECTORS

J G Seaton Esq
A J Daintree Esq (resigned 7 October 2010)
B P M Magee Esq (appointed 2 December 2009)
Mrs C A Fuller (appointed 12 March 2010)

COMPANY SECRETARY

P Burgess Esq

COMPANY NUMBER

6045956

REGISTERED OFFICE

Courteney Road
Hoath Way
Gillingham
Kent
ME8 0RZ

AUDITORS

Barnes Roffe LLP
Chartered Accountants & Statutory Auditor
16 - 17 Copperfields
Spital Street
Dartford
Kent
DA1 2DE

BANKERS

HSBC
39 High Street
Ashford
Kent
TN24 8TG

AEROSPACE TOOLING LIMITED

CONTENTS

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

AEROSPACE TOOLING LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2010

The directors present their report and the financial statements for the year ended 30 June 2010

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and 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). Under company law 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 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,
- 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 Companies Act 2006. 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.

PRINCIPAL ACTIVITIES

The company's principal activity continued to be that of the design, manufacture and repair of special purpose machinery and tooling for the aerospace, automotive, defence and electronics industries.

BUSINESS REVIEW

Demand for repair products has decreased in the current market but this is being replaced by higher margin work. Overheads have been constrained leading to maintained profitability.

RESULTS

The profit for the year, after taxation, amounted to £333,417 (2009 - £347,426)

DIRECTORS

The directors who served during the year were

J G Seaton Esq
A J Daintree Esq (resigned 7 October 2010)
B P M Magee Esq (appointed 2 December 2009)
Mrs C A Fuller (appointed 12 March 2010)

AEROSPACE TOOLING LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2010

PRINCIPAL RISKS AND UNCERTAINTIES

Key risks

The key business risks and uncertainties affecting the company are considered to relate to the current economic uncertainty and downturn, and competition from national and independent special purchase tooling and aerospace companies

FUTURE DEVELOPMENTS

The market remains competitive but the directors remain confident that the company will maintain the current level of performance. The current levels of trading and profitability are acceptable, and given the anticipated increase in Gross Profit in 2010 / 11, these should increase

KEY PERFORMANCE INDICATORS

Disclosure is not required regarding key financial and non-financial performance indicators for an understanding of the business

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

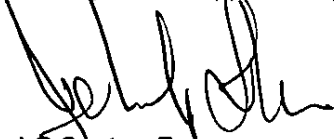
AUDITORS

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on

8/11/10

and signed on its behalf



J G Sgaton Esq
Director

AEROSPACE TOOLING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AEROSPACE TOOLING LIMITED

We have audited the financial statements of Aerospace Tooling Limited for the year ended 30 June 2010, set out on pages 5 to 17. 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 Statement of directors' responsibilities, 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 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.

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 30 June 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.

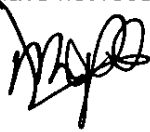
AEROSPACE TOOLING LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF AEROSPACE TOOLING LIMITED

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



Mario Ciantanni (Senior statutory auditor)
for and on behalf of

BARNES ROFFE LLP

Chartered Accountants

Statutory Auditor

16 - 17 Copperfields

Spital Street

Dartford

Kent

DA1 2DE

Date *10. November 2010*

AEROSPACE TOOLING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2009

	Note	2010 £	2009 £
TURNOVER	1,2	6,564,197	6,760,719
Cost of sales		<u>(3,301,415)</u>	<u>(3,784,319)</u>
GROSS PROFIT		3,262,782	2,976,400
Administrative expenses		<u>(2,530,997)</u>	<u>(2,322,086)</u>
OPERATING PROFIT	3	731,785	654,314
Interest payable	6	<u>(200,174)</u>	<u>(183,738)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		531,611	470,576
Tax on profit on ordinary activities	7	<u>(198,194)</u>	<u>(123,150)</u>
PROFIT FOR THE FINANCIAL YEAR	16	<u>333,417</u>	<u>347,426</u>
		37	36

All amounts relate to continuing operations

There were no recognised gains and losses for 2010 or 2009 other than those included in the Profit and loss account

The notes on pages 8 to 17 form part of these financial statements

AEROSPACE TOOLING LIMITED
REGISTERED NUMBER. 6045956

BALANCE SHEET
AS AT 30 JUNE 2010

	Note	2010 £	2009 £
FIXED ASSETS			
Intangible fixed assets	8	69,196	1
Tangible fixed assets	9	1,989,171	2,210,979
		<u>2,058,367</u>	<u>2,210,980</u>
CURRENT ASSETS			
Stocks	10	1,401,498	1,169,510
Debtors	11	1,371,231	1,399,307
Cash at bank and in hand		38,599	141,925
		<u>2,811,328</u>	<u>2,710,742</u>
CREDITORS : amounts falling due within one year	12	<u>(2,358,587)</u>	<u>(2,450,816)</u>
NET CURRENT ASSETS		<u>452,741</u>	<u>259,926</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,511,108</u>	<u>2,470,906</u>
CREDITORS : amounts falling due after more than one year	13	(89,438)	(283,183)
PROVISIONS FOR LIABILITIES			
Deferred Tax	14	(44,939)	(34,409)
NET ASSETS		<u>2,376,731</u>	<u>2,153,314</u>
CAPITAL AND RESERVES			
Called up share capital	15	1,000	1,000
Revaluation reserve	16	1,672,665	1,892,397
Profit and loss account	16	703,066	259,917
SHAREHOLDERS' FUNDS	17	<u>2,376,731</u>	<u>2,153,314</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


J G Seaton Esq
 Director


B P M Magee Esq FCA
 Director

The notes on pages 8 to 17 form part of these financial statements

AEROSPACE TOOLING LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2010

	Note	2010 £	2009 £
Net cash flow from operating activities		458,040	712,722
Returns on investments and servicing of finance		(200,174)	(183,738)
Taxation		(15,000)	-
Capital expenditure and financial investment		(119,727)	(237,568)
Equity dividends paid		(110,000)	(120,000)
CASH INFLOW BEFORE FINANCING		13,139	171,416
Financing		(116,465)	(16,153)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(103,326)	155,263

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE PERIOD ENDED 30 JUNE 2010

	2010 £	2009 £
(Decrease)/Increase in cash in the year	(103,326)	155,263
Cash outflow from decrease in debt and lease financing	116,465	16,153
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	13,139	171,416
Other non-cash changes	(5,897)	(92,097)
MOVEMENT IN NET DEBT IN THE YEAR	7,242	79,319
Net debt at 1 July 2009	(196,316)	(275,635)
NET DEBT AT 30 JUNE 2010	(189,074)	(196,316)

The notes on pages 8 to 17 form part of these financial statements

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of plant and machinery and in accordance with applicable accounting standards

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 Goodwill and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	-	10% straight line
Motor Vehicles	-	25% straight line
Fixtures & Fittings	-	10/25% straight line

1.5 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 (Tangible Fixed Assets) the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued on 1 February 2007 and 23 October 2008 and will not update that valuation.

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals applicable to operating lease where substantially all of the benefits and risks and rewards of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

1. ACCOUNTING POLICIES (continued)

1.8 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements. A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at current tax rates.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the profit and loss account.

1.11 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Whilst the anticipated life is considered to be 10 years deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the profit and loss account.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.13 Invoice discounting

The company discounts its trade debts. The accounting policy is to include trade debtors discounted with recourse under trade debtors due within one year and to record the returnable element of the proceeds under creditors due within one year. Discount fees are charged to the profit and loss account when payable. Bad debts are borne by the company and charged to the profit and loss account when reasonably foreseeable.

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

2. TURNOVER

A geographical analysis of turnover is as follows

	2010 £	2009 £
UK	5,694,234	5,250,174
Other EU	88,370	85,813
Rest of world	781,593	1,424,732
	<u>6,564,197</u>	<u>6,760,719</u>

3. OPERATING PROFIT

The operating profit is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	256,662	240,158
- held under finance leases	12,037	6,087
Auditors' remuneration	9,500	9,000
Operating lease rentals		
- land and buildings	254,650	288,214
Amortisation of deferred research and development expenditure	3,641	-
	<u>3,506,211</u>	<u>3,373,540</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2010 £	2009 £
Wages and salaries	3,140,748	3,013,726
Social security costs	310,760	302,321
Other pension costs	54,703	57,493
	<u>3,506,211</u>	<u>3,373,540</u>

The average monthly number of employees, including the directors, during the year was as follows

	2010 No.	2009 No.
	<u>121</u>	<u>118</u>

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

5. DIRECTORS' REMUNERATION

	2010 £	2009 £
Emoluments	72,638	15,923
Company pension contributions	1,415	-

During the year retirement benefits were accruing to 1 director (2009 - NIL) in respect of money purchase pension schemes

6 INTEREST PAYABLE

	2010 £	2009 £
On bank loans and overdrafts	34,280	48,834
On late paid tax	1,003	18,338
On finance leases and hire purchase contracts	10,282	5,466
On invoice discounting	154,609	111,100
	200,174	183,738

7. TAXATION

	2010 £	2009 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	187,664	88,741
Deferred tax (see note 14)		
Origination and reversal of timing differences	10,530	34,409
Tax on profit on ordinary activities	198,194	123,150

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

7. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2009 - lower than) the standard rate of corporation tax in the UK (28%). The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	531,611	470,576
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	148,851	131,761
Effects of		
Expenses not deductible for tax purposes	1,284	1,494
Depreciation for year in excess of capital allowances	51,196	41,261
Marginal relief	(13,667)	(19,487)
Losses brought forward	-	(66,288)
Current tax charge for the year (see note above)	187,664	88,741

Factors that may affect future tax charges

There were no factors that may affect future tax charges

8. INTANGIBLE FIXED ASSETS

	Research and Development £	Goodwill £	Total £
Cost			
At 1 July 2009	-	1	1
Additions	72,836	-	72,836
At 30 June 2010	72,836	1	72,837
Amortisation			
At 1 July 2009	-	-	-
Charge for the year	3,641	-	3,641
At 30 June 2010	3,641	-	3,641
Net book value			
At 30 June 2010	69,195	1	69,196
At 30 June 2009	-	1	1

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

9. TANGIBLE FIXED ASSETS

	Plant and machinery
Cost or valuation	
At 1 July 2009	2,559,987
Additions	46,891
	<u>2,606,878</u>
At 30 June 2010	<u>2,606,878</u>
Depreciation	
At 1 July 2009	349,008
Charge for the year	268,699
	<u>617,707</u>
At 30 June 2010	<u>617,707</u>
Net book value	
At 30 June 2010	<u>1,989,171</u>
At 30 June 2009	<u>2,210,979</u>

A formal revaluation of plant and machinery purchased from the administrator of Startrite Designs Ltd was carried out by Cuthbert & Kingsley on 12th November 2006. The founding director has used this valuation as the basis of the revaluation carried out immediately on acquisition of assets on 1st February 2007. The surplus arising on revaluation has been credited to the revaluation reserve.

A revaluation of assets held at the Dundee site was carried out by the founding director on the basis of value in use referring to a formal valuation carried out by Cuthbert & Kingsley Ltd on 23rd October 2008 as in his opinion there was no material difference in the condition of assets as at 30th June 2008 and 23rd October 2008. The surplus arising on revaluation has been credited to the revaluation reserve.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Other fixed assets	<u>112,021</u>	<u>112,329</u>
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Cost or valuation at 30 June 2010 is as follows:

	Other fixed assets
At cost	409,557
At valuation:	
30 June 2010 on existing use basis	<u>2,197,321</u>
	<u>2,606,878</u>

AEROSPACE TOOLING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2010**

9. TANGIBLE FIXED ASSETS (continued)

If the other fixed assets had not been included at valuation they would have been included under the historical cost convention as follows

Cost	409,557	362,666
Accumulated depreciation	(93,202)	(44,235)
	<hr/>	<hr/>
Net book value	316,355	318,431
	<hr/>	<hr/>

10. STOCKS

	2010	2009
	£	£
Raw materials	610,778	619,971
Work in progress	790,720	549,539
	<hr/>	<hr/>
	1,401,498	1,169,510
	<hr/>	<hr/>

11 DEBTORS

	2010	2009
	£	£
Trade debtors	1,117,503	1,205,854
Other debtors and prepayments	253,728	193,453
	<hr/>	<hr/>
	1,371,231	1,399,307
	<hr/>	<hr/>

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

12 CREDITORS: Amounts falling due within one year

	2010 £	2009 £
Advances against debtors	838,755	553,455
Other loans	97,994	92,097
Net obligations under finance leases and hire purchase contracts	40,241	29,020
Trade creditors	726,027	1,045,436
Corporation tax	261,405	88,741
Social security and other taxes	287,105	470,941
Other creditors and accruals	107,060	171,126
	<u>2,358,587</u>	<u>2,450,816</u>

The invoice discounting creditor of £838,755 (2009 £553,455) is secured upon the trade debtor balances to which it relates

Included within other creditors (including amounts due after more than one year) are loans totalling £162,913 (2009 £255,009), secured by way of fixed charge over the assets owned by the company

The net obligations under finance leases and hire purchase contracts are secured against the assets to which they relate

13. CREDITORS: Amounts falling due after more than one year

	2010 £	2009 £
Other loans	64,919	162,912
Net obligations under finance leases and hire purchase contracts	24,519	54,212
Other creditors and accruals	-	66,059
	<u>89,438</u>	<u>283,183</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2010 £	2009 £
Between one and five years	<u>24,519</u>	<u>54,212</u>

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

14. DEFERRED TAXATION

	2010 £	2009 £
At beginning of year	34,409	-
Charge for year	10,530	34,409
At end of year	<u>44,939</u>	<u>34,409</u>

The provision for deferred taxation is made up as follows

	2010 £	2009 £
Accelerated capital allowances	<u>44,939</u>	<u>34,409</u>

15. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

16. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 July 2009	1,892,397	259,917
Profit for the year		333,417
Dividends		(110,000)
Transfer of depreciation on revalued assets	(219,732)	219,732
At 30 June 2010	<u>1,672,665</u>	<u>703,066</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Opening shareholders' funds	2,153,314	1,925,888
Profit for the year	333,417	347,426
Dividends (Note 18)	(110,000)	(120,000)
Closing shareholders' funds	<u>2,376,731</u>	<u>2,153,314</u>

AEROSPACE TOOLING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010

18. DIVIDENDS

	2010 £	2009 £
Dividends paid on equity capital	<u>110,000</u>	<u>120,000</u>

19. PENSION COMMITMENTS

The company operates a defined contribution (money purchase) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

20. OPERATING LEASE COMMITMENTS

At 30 June 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2010 £	2009 £
Expiry date:		
Within 1 year	89,183	62,963
Between 2 and 5 years	<u>120,125</u>	<u>127,800</u>

21. DIRECTORS' BENEFITS, ADVANCES, CREDIT AND GUARANTEES

Included in other creditors are amounts owed to J G Seaton Esq of £536 (2009 £2,715).

22. RELATED PARTY TRANSACTIONS

The directors have an interest in dividends paid by the company of £110,000 (2009 £120,000).

23. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company is controlled by J G Seaton Esq and Mrs J G Seaton.