

Registration number 04528244

Kaliber Marketing (Holdings) Limited

Directors' Report and Abbreviated Accounts

for the Year Ended 30 September 2007

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COMPANIES HOUSE

HWCA Limited
Registered Auditors
Northern Assurance Buildings
9/21 Princess Street
Manchester
M2 4DN

KALIBER MARKETING (HOLDINGS) LIMITED

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KALIBER MARKETING (HOLDINGS) LIMITED
COMPANY INFORMATION

Directors D J Richards
 J Sheard
 P Randall (Resigned 1 October 2006)

Secretary S Bibby

Registered office Unit 1
 Queens Avenue
 Macclesfield
 Cheshire
 SK10 2BN

Solicitors Daniels Solicitors
 County Chambers
 6 Chestergate
 Macclesfield
 Cheshire
 SK11 6BA

Bankers NatWest Bank plc
 PO Box No 305
 Spring Gardens
 Manchester
 M60 2DB

Auditors HWCA Limited
 Registered Auditors
 Northern Assurance Buildings
 9/21 Princess Street
 Manchester
 M2 4DN

KALIBER MARKETING (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007

The directors present their report and the audited financial statements for the year ended 30 September 2007

Principal activity

The principal activities of the company are those of the manufacture and sale of patio doors and vertical sliding doors

Business review

Fair review of the business

The directors consider the results for the year and the company's position at the end of the year to be satisfactory. Turnover has been maintained while overheads have been reduced to leave a net profit before tax increase of 13.0%

Development and performance of the business

	2007	2006
Turnover	£5,921,361	£6,245,976
Gross profit margin	42%	44%
Profit before tax	£743,083	£657,408

Position of the business

At the end of the year, the net assets totalled £2,622,671

Financial risk

Financial risk, price risk, credit risk, liquidity risk and cash flow risk

The company's principal financial instruments comprise bank balances, trade debtors, trade creditors, loans to the company and finance lease agreements. The main purpose of these instruments is to finance the company's operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of current account balances and money market facilities. All of the company's cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors. Risk is limited by the use of credit insurance.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise loans from the directors and from financial institutions. The interest rate on loans from financial institutions is variable, but the monthly repayments are fixed. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the payments.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

KALIBER MARKETING (HOLDINGS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

Results and dividend

The results for the company are set out in the financial statements

An interim ordinary dividend of £790,000 was paid during the year

Charitable donations

During the year the company made charitable donations of £3,288

Directors

The directors who held office during the year were as follows

- D J Richards
- J Sheard
- P Randall (Resigned 1 October 2006)

Auditors

The auditors, HWCA Limited, are deemed to be re-appointed in accordance with section 386 of the Companies Act 1985

Directors' responsibilities

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

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

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

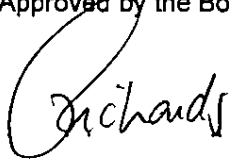
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

Each director has taken steps that ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which the auditors are unaware

KALIBER MARKETING (HOLDINGS) LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

Approved by the Board on 16 June 2008 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Richards', written in a cursive style.

D J Richards
Director

**INDEPENDENT AUDITORS' REPORT TO
KALIBER MARKETING (HOLDINGS) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts of Kaliber Marketing (Holdings) Limited, set out on pages 6 to 23, together with the financial statements of the company for the year ended 30 September 2007 prepared under section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 6 to 23 are properly prepared in accordance with those provisions.

HWCA Limited

HWCA Limited
Registered Auditors

16 June 2008

Northern Assurance Buildings
9/21 Princess Street
Manchester
M2 4DN

KALIBER MARKETING (HOLDINGS) LIMITED**ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30
SEPTEMBER 2007**

	Note	2007 £	2006 £
Gross profit		2,470,925	2,720,386
Distribution costs		(373,718)	(376,017)
Administrative expenses		(1,322,042)	(1,666,911)
Operating profit	2	<u>775,165</u>	<u>677,458</u>
Other interest receivable and similar income		9,221	10,651
Interest payable and similar charges	5	(41,303)	(30,700)
Profit on ordinary activities before taxation		<u>743,083</u>	<u>657,409</u>
Tax on profit on ordinary activities	6	(250,911)	(208,804)
Profit for the financial year	18	<u><u>492,172</u></u>	<u><u>448,605</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

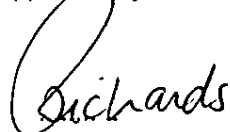
The notes on pages 9 to 23 form an integral part of these financial statements

KALIBER MARKETING (HOLDINGS) LIMITED**ABBREVIATED BALANCE SHEET AS AT 30 SEPTEMBER 2007**

		2007		2006	
	Note	£	£	£	£
Fixed assets					
Intangible assets	8		842,171		898,315
Tangible assets	9		278,922		417,573
Investments	10		6		6
			<u>1,121,099</u>		<u>1,315,894</u>
Current assets					
Stocks	11	261,157		259,880	
Debtors	12	1,211,401		1,304,074	
Cash at bank and in hand		<u>44,164</u>		<u>247,440</u>	
		1,516,722		1,811,394	
Creditors: Amounts falling due within one year	13	<u>(1,184,239)</u>		<u>(1,292,508)</u>	
Net current assets			<u>332,483</u>		<u>518,886</u>
Total assets less current liabilities			1,453,582		1,834,780
Creditors: Amounts falling due after more than one year	14		(250,097)		(332,257)
Provisions for liabilities	16		-		(1,210)
Net assets			<u>1,203,485</u>		<u>1,501,313</u>
Capital and reserves					
Called up share capital	17		650,004		650,004
Profit and loss reserve	18		<u>553,481</u>		<u>851,309</u>
Shareholders' funds	19		<u>1,203,485</u>		<u>1,501,313</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

Approved by the Board on 16 June 2008 and signed on its behalf by



D J Richards
Director

KALIBER MARKETING (HOLDINGS) LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2007**

		2007	2006
	Note	£	£
Net cash flow from operating activities	22	1,130,639	91,896
Returns on investment and servicing of finance	23	(32,082)	(20,050)
Taxation	23	(251,348)	(56,941)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		22,274	(80,499)
Sale of tangible fixed assets		13,577	7,902
		<u>35,851</u>	<u>(72,597)</u>
Equity dividends paid		(790,000)	-
Cash inflow/(outflow) before management of liquid resources and financing		93,060	(57,692)
Financing			
Increase in loans and borrowings		-	250,000
Repayment of loans and borrowings		(127,712)	(130,952)
Capital element of hire purchase payments		(133,022)	(122,641)
		<u>(260,734)</u>	<u>(3,593)</u>
Net cash flow		<u>(167,674)</u>	<u>(61,285)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

		2007	2006
	Note	£	£
Decrease in cash in the year	24	(167,674)	(61,285)
Cash outflow from decrease in debt and lease financing		260,734	3,593
Change in net debt resulting from cash flows		<u>93,060</u>	<u>(57,692)</u>
New hire purchase agreements		(77,528)	(85,527)
Movement in net funds/(debt) in the year		15,532	(143,219)
Net debt at the start of the year	24	<u>(373,307)</u>	<u>(230,088)</u>
Net debt at the end of the year	24	<u>(357,775)</u>	<u>(373,307)</u>

The notes on pages 9 to 23 form an integral part of these financial statements

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

1 Accounting policies

Basis of preparation

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards

Under section 248 of the Companies Act 1985 the group is exempt from the requirement to prepare group accounts by virtue of its size. Therefore the accounts present information about the company as an individual undertaking and not about its group.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	20 years
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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% straight line basis
Fixtures, fittings and equipment	25% straight line basis
Motor vehicles	25% straight line basis

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful economic life is estimated at 20 years.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock and work in progress

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

Deferred taxation

Deferred tax is recognised, without discounting, 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 required by FRS19

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date

Hire purchase and finance lease contracts

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated in accordance with the company's depreciation policy. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease or hire purchase contract and represents a constant proportion of the balance of capital repayments outstanding.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Operating profit

Operating profit is stated after charging/(crediting)

	2007	2006
	£	£
Hire of plant and machinery (Operating Leases)	19,105	17,762
Audit fees	6,360	5,750
Profit on sale of fixed assets	(2,702)	(7,904)
Depreciation of owned tangible fixed assets	183,029	179,692
Amortisation of intangible fixed assets	56,144	56,144
	<u> </u>	<u> </u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	2007 No.	2006 No.
Production	32	31
Distribution	6	7
Administration	23	25
Sales	5	3
	<u>66</u>	<u>66</u>

The aggregate payroll costs of these persons were as follows

	2007 £	2006 £
Wages and salaries	1,264,310	1,584,704
Social security	132,252	144,642
Other pension costs	45,437	42,513
	<u>1,441,999</u>	<u>1,771,859</u>

4 Directors' emoluments

The directors' emoluments for the year are as follows

	2007 £	2006 £
Directors' emoluments (including benefits in kind)	186,554	314,115
Directors' pension contributions	41,025	38,101
	<u>227,579</u>	<u>352,216</u>

During the year the number of directors who were accruing benefits under company pension schemes was as follows

	2007 No.	2006 No.
Money purchase	<u>2</u>	<u>2</u>

The aggregate emoluments of the highest paid director was £84,489 (2006 - £135,823), and company pension contributions of £35,613 (2006 - £39,355) were made to a money purchase scheme on his behalf

KALIBER MARKETING (HOLDINGS) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007**

continued

5 Interest payable and similar charges

	2007	2006
	£	£
Bank interest payable	262	-
Loan interest	22,136	14,062
Hire purchase interest	18,905	16,638
	<u>41,303</u>	<u>30,700</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

6 Taxation

Analysis of current period tax charge

	2007 £	2006 £
Current tax		
Corporation tax charge	227,966	212,049
(Over)/under provision in previous year	39,301	-
UK Corporation tax	<u>267,267</u>	<u>212,049</u>
Deferred tax		
Origination and reversal of timing differences	<u>(16,356)</u>	<u>(3,245)</u>
Total tax on profit on ordinary activities	<u>250,911</u>	<u>208,804</u>

Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is higher than (2006 - higher than) the standard rate of corporation tax in the UK of 30.00% (2006 - 30.00%)

The differences are reconciled below

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>743,083</u>	<u>657,409</u>
Standard rate corporation tax charge	222,925	197,223
Expenses not deductible for tax purposes (including goods)	7,842	14,735
Accelerated capital allowances	34,010	22,442
Adjustments to previous periods	3,301	-
Marginal rate relief	-	(19,980)
Profit on disposals	(811)	(2,371)
Total current tax for the year	<u>267,267</u>	<u>212,049</u>

7 Dividends

	2007 £	2006 £
Equity dividends	<u>790,000</u>	<u>-</u>

KALIBER MARKETING (HOLDINGS) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007**

continued

8 Intangible fixed assets

	Goodwill £
Cost	
As at 1 October 2006 and 30 September 2007	<u>1,122,893</u>
Amortisation	
As at 1 October 2006	224,578
Charge for the year	<u>56,144</u>
As at 30 September 2007	<u>280,722</u>
Net book value	
As at 30 September 2007	<u>842,171</u>
As at 30 September 2006	<u>898,315</u>

KALIBER MARKETING (HOLDINGS) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007***continued***9 Tangible fixed assets**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
As at 1 October 2006	505,045	152,914	436,825	1,094,784
Additions	4,953	21,773	28,528	55,254
Disposals	-	-	(83,727)	(83,727)
As at 30 September 2007	<u>509,998</u>	<u>174,687</u>	<u>381,626</u>	<u>1,066,311</u>
Depreciation				
As at 1 October 2006	303,735	116,470	257,006	677,211
Eliminated on disposals	-	-	(72,852)	(72,852)
Charge for the year	80,346	23,593	79,091	183,030
As at 30 September 2007	<u>384,081</u>	<u>140,063</u>	<u>263,245</u>	<u>787,389</u>
Net book value				
As at 30 September 2007	<u>125,917</u>	<u>34,624</u>	<u>118,381</u>	<u>278,922</u>
As at 30 September 2006	<u>201,310</u>	<u>36,444</u>	<u>179,819</u>	<u>417,573</u>

Hire purchase agreements

Included within the total net book value of tangible fixed assets is £200,503 (2006 - £240,122) in respect of assets held under finance leases and similar hire purchase contracts. Depreciation for the year on these assets was £120,033 (2006 - £109,257)

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

10 Investments held as fixed assets

	Group shares £
Cost	
As at 1 October 2006 and 30 September 2007	<u>6</u>
Net book value	
As at 30 September 2007	<u>6</u>
As at 30 September 2006	<u>6</u>

The company holds more than 20% of the share capital of the following companies

	Country of incorporation	Principal activity	Class	%	Period end
Subsidiary undertakings					
Kaliber Marketing Limited	England and Wales	Dormant	Ordinary	100	31 March 2007
KAT UK Limited	England and Wales	Dormant	Ordinary	100	31 May 2007
Vertical Sliders Limited	England and Wales	Dormant	Ordinary	100	30 June 2007

	Capital & reserves £	Profit/(loss) for the period £
Subsidiary undertakings		
Kaliber Marketing Limited	2	-
KAT UK Limited	2	-
Vertical Sliders Limited	2	-

11 Stocks and work in progress

	2007 £	2006 £
Raw materials	234,100	250,780
Work in progress	27,057	9,100
	<u>261,157</u>	<u>259,880</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

12 Debtors

	2007	2006
	£	£
Trade debtors	777,911	726,138
Other debtors	360,000	250,000
Deferred tax	15,146	-
Director current accounts	-	265,509
Prepayments and accrued income	58,344	62,427
	<u>1,211,401</u>	<u>1,304,074</u>

Debtors includes £360,000 (2006 - £250,000) receivable after more than one year

This can be analysed as follows

	2007	2006
	£	£
Other debtors	<u>360,000</u>	<u>250,000</u>

13 Creditors: Amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	56,032	165,095
Obligations under finance leases and hire purchase contracts	95,810	123,395
Trade creditors	572,202	575,257
Amounts owed to group undertakings	1,425	1,425
Corporation tax	227,966	212,047
Social security and other taxes	161,722	155,358
Other creditors	10,064	10,660
Director current accounts	18,716	-
Accruals and deferred income	40,302	49,271
	<u>1,184,239</u>	<u>1,292,508</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

14 Creditors: Amounts falling due after more than one year

	2007 £	2006 £
Bank loans and overdrafts	185,304	239,555
Obligations under finance leases and hire purchase contracts	64,793	92,702
	<u>250,097</u>	<u>332,257</u>

Included in the creditors are the following amounts due after more than five years

	2007 £	2006 £
After more than five years by instalments		
Bank loan & overdrafts	36,124	75,148
	<u>36,124</u>	<u>75,148</u>

15 Maturity of borrowings

Amounts repayable

	Bank loans & overdrafts £	Obligations under finance leases and HP contracts £	Total £
As at 30 September 2007			
In one year or less on demand	56,032	95,810	151,842
Between one and two years	33,538	64,793	98,331
Between two and five years	115,642	-	115,642
After more than five years by instalments	36,124	-	36,124
	<u>241,336</u>	<u>160,603</u>	<u>401,939</u>
As at 30 September 2006			
In one year or less on demand	165,095	123,395	288,490
Between one and two years	56,637	68,899	125,536
Between two and five years	107,770	23,803	131,573
After more than five years by instalments	75,148	-	75,148
	<u>404,650</u>	<u>216,097</u>	<u>620,747</u>

Bank loans are repaid in quarterly instalments of £25,000 and monthly instalments of £3,708, commencing 31 December 2002 and 21 August 2006 respectively. Interest is charged on both loans at a rate of 2.5% per annum above the bank's base rate. They are secured by a debenture over all the assets of the company.

Obligations under hire purchase contracts are secured on the relevant assets.

KALIBER MARKETING (HOLDINGS) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007***continued***16 Provisions for liabilities**

	Deferred tax provision £
As at 1 October 2006	1,210
Deferred tax provision charged to the profit and loss account	<u>(1,210)</u>
As at 30 September 2007	<u><u>-</u></u>

Deferred tax

Deferred tax is provided at 30.00% (2006 - 30.00%)

	2007 £	2006 £
Accelerated capital allowances	<u>(15,146)</u>	<u>1,210</u>

The deferred tax asset for 2007 of £15,146 is shown in the balance sheet under debtors and relates to depreciation in excess of capital allowances

17 Share capital

	2007 £	2006 £
Authorised		
Equity		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
Equity		
650,004 Ordinary shares of £1 each	<u>650,004</u>	<u>650,004</u>

18 Reserves

	Profit and loss reserve £
Balance at 1 October 2006	851,309
Transfer from profit and loss account for the year	492,172
Dividends	<u>(790,000)</u>
Balance at 30 September 2007	<u><u>553,481</u></u>

KALIBER MARKETING (HOLDINGS) LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007**

continued

19 Reconciliation of movements in shareholders' funds

	2007	2006
	£	£
Profit attributable to members of the company	492,172	448,605
Dividends	(790,000)	-
	<u>(297,828)</u>	<u>448,605</u>
Opening equity shareholders' funds	<u>1,501,313</u>	<u>1,052,707</u>
Closing equity shareholders' funds	<u>1,203,485</u>	<u>1,501,313</u>

20 Operating lease commitments

As at 30 September 2007 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	Land and Buildings	
	2007	2006
	£	£
Within two and five years	<u>81,384</u>	<u>87,660</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

21 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £45,437 (2006 - £42,513)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

22 Reconciliation of operating profit to operating cash flows

	2007	2006
	£	£
Operating profit	775,165	677,458
Depreciation, amortisation and impairment charges	239,174	235,836
Profit on disposal of fixed assets	(2,702)	(7,904)
(Increase)/decrease in stocks	(1,277)	19,573
Decrease/(increase) in debtors	107,819	(281,776)
Increase/(decrease) in creditors	12,460	(551,291)
Net cash inflow from operating activities	<u>1,130,639</u>	<u>91,896</u>

23 Analysis of cash flows

	2007	2006
	£	£
Returns on investment and servicing of finance		
HP interest paid	(18,905)	(16,638)
Other interest paid	(22,398)	(14,062)
Interest received	9,221	10,650
	<u>(32,082)</u>	<u>(20,050)</u>
Taxation		
Taxation paid	<u>(251,348)</u>	<u>(56,941)</u>

KALIBER MARKETING (HOLDINGS) LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30
SEPTEMBER 2007***continued***24 Analysis of net debt**

	At start of period £	Cash flow £	Other non-cash changes £	At end of period £
Cash at bank and in hand	247,440	(203,276)	-	44,164
Bank overdraft	(35,602)	35,602	-	-
Cash and bank net debt	<u>211,838</u>	<u>(167,674)</u>	-	<u>44,164</u>
Debt due within one year	(129,493)	129,493	(56,032)	(56,032)
Debt due after one year	(239,555)	(1,781)	56,032	(185,304)
Hire purchase	<u>(216,097)</u>	<u>133,022</u>	<u>(77,528)</u>	<u>(160,603)</u>
Change in debt	<u>(585,145)</u>	<u>260,734</u>	<u>(77,528)</u>	<u>(401,939)</u>
Net debt	<u>(373,307)</u>	<u>93,060</u>	<u>(77,528)</u>	<u>(357,775)</u>

KALIBER MARKETING (HOLDINGS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2007

continued

25 Related parties

Controlling entity

The ultimate controlling party is D J Richards by virtue of his shareholding and directorship

Related party transactions

D J Richards is also a director of Merlin UK Limited which is both a customer of and supplier to the company. During the year sales to Merlin UK Limited amounted to £13,389 (2006 - £2,227) and there were purchases of £1,203 (2006 - £2,282). At the year end there was a sales ledger balance of £30,865 (2006 - £6,455) and a purchase ledger balance of £1,354 (2006 - £820).

The company owns the whole of the share capital of KAT UK Limited. At the end of the year KAT UK Limited owed the company £1,425 (2006 - £1,425).

During the year, the company made a loan of £110,000 (2006 - £250,000) to The Conrah Hotel Limited, a company in which DJ Richards is a director. At the year end The Conrah Hotel Limited owed the company £360,000 (2006 - £250,000).

Director's loan account

The following balance owed to/(by) the director was outstanding at the year end

	Maximum Balance £	2007 £	2006 £
D J Richards	(619,680)	18,716	(265,509)

No interest is charged in respect of this balance