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# BODDINGTONS LIMITED

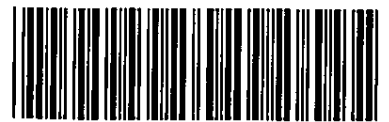
FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2007

COMPANY REGISTRATION NUMBER 1589762

SATURDAY



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29/03/2008  
COMPANIES HOUSE

**BODDINGTONS LIMITED**  
DIRECTORS, OFFICERS, AUDITOR AND BANKER

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**DIRECTORS:**

J P WARNER,

MRS S J REVELEY (RESIGNED 31<sup>ST</sup> March 2007),

MRS M M INSTONE,

C E BODDINGTON,

R E JACKSON (APPOINTED 14<sup>TH</sup> AUGUST 2007), AND,

I M BARNES (APPOINTED 14<sup>TH</sup> NOVEMBER 2007)

**OFFICERS:**

**COMPANY SECRETARY:**

MRS S J REVELEY (RESIGNED 31<sup>ST</sup> March 2007), and,

C E BODDINGTON (APPOINTED 21<sup>ST</sup> FEBRUARY 2007)

**REGISTERED OFFICE:**

BODDINGTONS LIMITED,  
BLACKWATER TRADING ESTATE.  
THE CAUSEWAY,  
MALDON,  
ESSEX.  
CM9 4GG,  
UNITED KINGDOM

**AUDITOR:**

BAKER TILLY UK AUDIT LLP,  
MARLBOROUGH HOUSE,  
VICTORIA SMITH ROAD SOUTH,  
CHELMSFORD,  
ESSEX,  
CM1 1LN,  
UNITED KINGDOM

**BANKER:**

NATWEST,  
HIGH STREET,  
CHELMSFORD,  
ESSEX,  
CM1 1BQ. UNITED KINGDOM

BODDINGTONS LIMITED  
DIRECTORS' REPORT

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The directors present their report and financial statements for Boddingtons Limited for the year ended 30<sup>th</sup> June 2007

### PRINCIPAL ACTIVITIES

The principal activities of the company during the year were those of the manufacture and sale of extruded plastic net and printed film

### REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Whilst the consolidated post tax profit of the business of £90,000 for the year to 30 June 2007 was encouraging it has the potential to be significantly greater following the investment into a new extrusion line in the UK. The year to 30 June 2007 was financially hard for the UK business. However, the Directors believe that the pain of 2007 will be reflected in future success. The significant capital investment in the year also attracted ancillary expenditure that when combined with a poor December 2006 trading month gave rise to this year's single company loss of £26,000.

The business, in the latter part of the calendar year ending 2007, enjoyed record sales with the second quarter of the financial year producing like for like sales growth of 38% and cash generation in the quarter £245,000 ahead of the same quarter in the financial year presented ending 30 June 2007.

The business continues to invest in new technology and product development, a base from which new markets can be addressed and penetrated.

### RESULTS

Set out below is a summary consolidated profit and loss account for the business and its 100% subsidiary Boddingtons Australia Limited. This is for information only. The company's result is shown in the presented accounts.

	2007 AUSTRALIA & UK CONSOLIDATED £'000	2007 UK £'000
TURNOVER	8,131	6,691
COST OF SALES	5,366	(4,467)
GROSS PROFIT	2,764	2,224
OTHER OPERATING EXPENSES	(2,542)	(2,151)
OPERATING PROFIT	222	73
INTEREST PAYABLE	(138)	(105)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	84	(32)
TAXATION	6	6
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	90	(26)

Note: Australia does not account for deferred tax. The net profit of AU\$274,000 for the year ended 30 June 2007 was covered by tax losses that accrued during the start-up period of that business. These tax losses will be fully extinguished in 2008. Additionally goodwill has not been accounted for in this consolidation. The impact is marginal.

BODDINGTONS LIMITED  
DIRECTORS' REPORT

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The Key Performance Indicators ( KPI's" ) of the business are net assets, sales, gross margin and cash flow Regular inspection and assessment of these through timely accurate management information enables the company to monitor its exposure to financially originated risk Non-financially originated risk is assessed by the Directors at regular Board Meetings

The company continues to invest in research and development, manufacturing new products and developing new machinery with which to make these products

**DIRECTORS' INTERESTS IN SHARES**

	<i>Ordinary shares of £1 each</i>	
	<i>30<sup>th</sup> June 2007</i>	<i>30<sup>th</sup> June 2006</i>
J P WARNER	1,374	874
MRS S J REVELEY	-	-
MRS M M INSTONE	-	-
C E BODDINGTON	-	-

	<i>Ordinary 'A' shares of £1 each</i>	
	<i>30<sup>th</sup> June 2007</i>	<i>30<sup>th</sup> June 2006</i>
J P WARNER	-	-
MRS S J REVELEY	-	-
MRS M M INSTONE	-	-
C E BODDINGTON	-	-

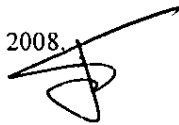
**AUDITOR**

The incumbent auditor, the partnership known as Baker Tilly, advised the company of its cessation during the year and that a successor firm Baker Tilly UK Audit LLP was available for appointment and willing to act with effect from 1 April 2007 Noting this the directors duly appointed Baker Tilly UK Audit LLP as its auditor for the year ended 30 June 2007

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were in office on the date of the approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

By order of the Board, 19 March 2008,



BODDINGTONS LIMITED  
DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent, and
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BODDINGTONS LIMITED

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We have audited the financial statements on pages 7 to 22

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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 June 2007 and of its loss for the year then ended and 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.

  
BAKER TILLY UK AUDIT LLP

Registered Auditor  
Chartered Accountants  
Marlborough House  
Victoria Road South  
Chelmsford  
Essex CM1 1LN

Date 19 MARCH 2008

BODDINGTONS LIMITED  
 PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30<sup>TH</sup> JUNE

	<i>Notes</i>	2007 £'000	2006 £'000
TURNOVER	1	6,691	6,315
COST OF SALES		<u>(4,467)</u>	<u>(4,227)</u>
GROSS PROFIT		2,224	2,088
OTHER OPERATING EXPENSES	2	(2,151)	(1,838)
OPERATING PROFIT		73	250
INTEREST PAYABLE	4	<u>(105)</u>	<u>(108)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(32)	141
TAXATION	7	<u>6</u>	<u>(25)</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u><u>(26)</u></u>	<u><u>116</u></u>

The operating profit for the year arises from the continuing operations of the company

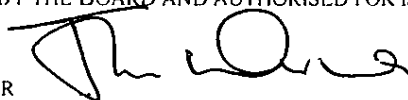
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt within the Profit and Loss Account

BODDINGTONS LIMITED  
BALANCE SHEET AT 30<sup>TH</sup> JUNE 2007

	Notes	2007 £'000	2006 £'000
<b>FIXED ASSETS</b>			
Tangible assets	9	2,397	1,305
Investments	10	153	153
		<u>2,550</u>	<u>1,458</u>
<b>CURRENT ASSETS</b>			
Stocks	11	377	416
Debtors	12	1,241	1,367
Cash at bank and in hand		223	14
		<u>1,841</u>	<u>1,797</u>
CREDITORS Amounts falling due within one year	13	(2,939)	(1,983)
<b>NET CURRENT LIABILITIES</b>		<u>(1,098)</u>	<u>(186)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,452	1,272
CREDITORS Amounts falling due after more than one year	14	(350)	(110)
PROVISIONS FOR LIABILITIES AND CHARGES	15	(109)	(115)
<b>NET ASSETS</b>		<u><u>993</u></u>	<u><u>1,047</u></u>
<b>REPRESENTED BY:</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	29	29
Share premium account	17	30	30
Profit and loss account	17	934	988
<b>SHAREHOLDERS' FUNDS</b>	18	<u><u>993</u></u>	<u><u>1,047</u></u>

APPROVED BY THE BOARD AND AUTHORISED FOR ISSUE 19 MARCH 2008

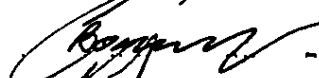
J P WARNER



M M INSTONE



C E BODDINGTON



R E JACKSON



I M BARNES





BODDINGTONS LIMITED  
CASH FLOW STATEMENT

	<i>Notes</i>	2007 £'000	2006 £'000
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<b>19</b>	<b>503</b>	<b>401</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		-	-
Interest paid		(105)	(108)
Net cash flow for returns on investments and servicing of finance		<b>(105)</b>	<b>(108)</b>
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Payments to acquire tangible assets		(1,164)	(112)
Receipts from the sale of tangible assets		-	2
Receipts from the sale of investments		-	-
Net cash outflow for capital expenditure		<b>(1,164)</b>	<b>(110)</b>
Net cash flow before management of liquid resources and financing		<b><u>(766)</u></b>	<b><u>183</u></b>
<b>FINANCING ACTIVITIES</b>			
Dividends paid		(28)	-
Movement in debt due within one year		450	41
Movement in debt due after one year		(8)	8
Movement in hire purchase contracts capital element		308	(205)
Net cash flow from financing		<b>722</b>	<b>(156)</b>
<b>CASH MOVEMENT FOR THE YEAR</b>		<b><u>(44)</u></b>	<b><u>27</u></b>

## **BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention applying the going concern principle

## **RESEARCH AND DEVELOPMENT**

All research and development costs are written off as incurred

## **TANGIBLE FIXED ASSETS**

Fixed assets are stated at historical cost less depreciation

Depreciation is provided on all tangible fixed assets in use during the period at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows

Short leasehold improvements	over the period of the lease
Fixtures, fittings & equipment	10-15% reducing balance
Motor vehicles	25% reducing balance

## **INVESTMENTS**

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

## **STOCK**

Stock is valued at the lower of cost and net realisable value. Net realisable value is based upon the estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items

## **DEFERRED TAXATION**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in the obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different to those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

## **LEASED ASSETS AND OBLIGATIONS**

Where assets are financed by lease agreements that give rights approximating to ownership ("Finance Leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments during the lease term. The corresponding leasing commitments are shown as obligations to the lessor

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account on a straight line basis over the lease term

Operating leases are charged to the profit and loss account as incurred

### **PENSIONS CONTRIBUTIONS**

The company operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year.

### **FOREIGN CURRENCY TRANSLATION**

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 rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

### **GROUP ACCOUNTS**

The company and its subsidiaries comprise a medium-sized group. The company has in respect of the year ended 30 June 2007 taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts. However, in anticipation of the law changing with effect from next year a pro-forma unaudited consolidated profit and loss account and balance sheet have been prepared for the year ended 30 June 2007. The profit and loss account is presented in the Directors' report.

### **TURNOVER**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. It is recognised at the point of despatch from the company.

### **GRANTS**

Grants are assessed to determine their nature, capital or revenue, and treated as such over the course of their life.

## 1 TURNOVER ON ORDINARY ACTIVITIES BEFORE TAXATION

The contributions of the various activities of the company to turnover, which are in respect of continuing activities are set out below

By geographical market

	2007	2006
	£'000	£'000
UK	4,511	4,107
Rest of World	2,180	2,208
	<u>6,691</u>	<u>6,315</u>

## 2 Other operating expenses

	2007	2006
	£'000	£'000
Administrative expenses	1,922	1,582
Management fee received from subsidiary	(39)	-
Management fee paid to related party	268	256
	<u>2,151</u>	<u>1,838</u>

## 3 INVESTMENT INCOME

	2007	2006
	£'000	£'000
Bank interest	-	-
	<u>-</u>	<u>-</u>

## 4 INTEREST PAYABLE

Interest payable includes the following

	2007	2006
	£'000	£'000
Hire purchase and finance lease interest	57	59
Other interest	48	49
	<u>105</u>	<u>108</u>

## 5 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2007 £'000	2006 £'000
Profit on ordinary activities before taxation is stated after charging/ (crediting)		
Depreciation of tangible fixed assets		
Charge for the year		
Owned assets	11	13
Leased assets	61	62
Profit on disposals	-	(1)
Research and development	17	66
Operating lease rentals		
Land and buildings	242	235
Net profit/(loss) on exchange transactions	18	(12)
Auditor's remuneration – audit fee	8	6
	<u>          </u>	<u>          </u>

## 6 EMPLOYEES

The average number of employees (including directors) employed by the company during the year was

	2007 No	2006 No
Production	36	30
Administration	16	19
	<u>          </u>	<u>          </u>
	52	49

	2007 £'000	2006 £'000
Staff costs for the above persons		
Wages and salaries	1,288	1,121
Social security costs	126	112
Other employee costs	52	41
	<u>          </u>	<u>          </u>
	1,356	1,274

## DIRECTORS' REMUNERATION

	2007 £'000	2006 £'000
Emoluments for qualifying services	-	9
Pension contributions	-	26
	<u>          </u>	<u>          </u>
	-	35

For the year ended 30<sup>th</sup> June 2007 all Directors' remuneration was routed through Boddingtons International Limited by way of a management fee that covered these and other expenses

## BODDINGTONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

## 7 DIVIDENDS PAID

	2007 £'000	2006 £'000
Dividends paid	28	-

## 8 TAXATION

	2007 £'000	2006 £'000
Current tax charge	-	-
Deferred tax		
Deferred tax (credit)/charge	(6)	25
Factors affecting the charge for the year		
(Loss) / profit on ordinary activities before taxation	(32)	141
(Loss) / profit on ordinary activities before taxation multiplied by Standard rate of UK corporation tax for small companies of 20% (2006 19%)	(6)	27
Effects of		
Non-deductible expenses	-	1
Depreciation in excess of capital allowances	-	1
Tax losses utilised	6	(26)
Research and development enhancement	-	(3)
Other tax adjustments	-	-
	6	(27)
Current tax charge	-	-

9 TANGIBLE FIXED ASSETS

	<i>Short Leasehold improvements</i> £'000	<i>Fixtures fittings &amp; equipment</i> £'000	<i>Motor vehicles</i> £'000	<i>Total</i> £'000
<i>Cost</i>				
1 July 2006	132	1,882	2	2,016
Additions	-	1,164	-	1,164
Disposals	-	-	-	-
30 June 2007	132	3,046	2	3,180
<i>Depreciation</i>				
1 July 2006	44	666	1	711
Charge in the year	-	72	-	72
Disposals	-	-	-	-
30 June 2007	44	738	1	783
<i>Net book value</i>				
30 June 2007	88	2,308	1	2,397
30 June 2006	88	1,216	1	1,305

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

	<i>Fixtures fittings &amp; equipment</i> £'000
<i>Net book value</i>	
30 June 2007	1,069*
30 June 2006	684

\* Included here is the amount b/fwd and £476,000 in relation to the Barclays Mercantile Lease on the rewinding part of E5, the major purchase of the year. The remaining finance on E5 outstanding at the year end was £482,000 due to NatWest and included in bank loans repayable within one year. The Directors fully expect that in the near future this will be converted into a lease.

Depreciation of £61,000 was charged in respect of assets held under finance lease and hire purchase contracts, all of which were in the class fixtures fittings and equipment.

BODDINGTONS LIMITED  
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

10 FIXED ASSET INVESTMENTS

	<i>Shares in group undertakings £'000</i>
<i>Net book value</i>	
1 July 2006	153
30 June 2007	<u>153</u>

In the opinion of the directors the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included on the balance sheet which remains which includes an impairment provision of £67,000 in respect of the only investment, Boddingtons Australia Pty Ltd which was brought forward at the beginning of the year and is unchanged at the end of the year. The principal activity of this company is the manufacture and sale of film and extruded net.

Holdings of more than 20%

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

<i>Company</i>	<i>Country of incorporation</i>	<i>Class</i>	<i>Shares held</i>
Boddingtons Australia Pty Ltd	Australia	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last financial year were as follows

	<i>Capital and reserves £'000</i>	<i>Profit for year £'000</i>
Boddingtons Australia Pty Ltd	211	116

11 STOCKS

	2007 £'000	2006 £'000
Raw materials	163	63
Work in progress	56	84
Finished goods and goods for resale	158	269
	<u>377</u>	<u>416</u>

12 DEBTORS

	2007 £'000	2006 £'000
Due within one year		
Trade debtors	1,210	1,168
Amount owed by subsidiary undertaking	27	140
Other debtors	4	3
Prepayments and accrued income	-	56
	<u>1,241</u>	<u>1,367</u>



## 13 CREDITORS Amounts falling due within one year

	2007	2006
	£'000	£'000
Bank overdraft	-	448
Invoice finance facilities	701	-
Bank loans	491	41
Obligations under finance leases and hire purchase contracts	225	165
Trade creditors*	1,349	1,255
Taxes and social security costs*	53	40
Directors' current accounts*	-	11
Owed to related party (Boddingtons International Limited)*	4	-
Accruals and deferred income*	116	23
	<u>2,939</u>	<u>1,983</u>

$\Sigma^*$  = £1,522,000 (2006 £1,329,000) Movement in creditors due within one year used in the cash flow note 19a) = £193,000

During the course of the year the NatWest overdraft facility was replaced with an invoice discounting facility arranged through the Royal Bank of Scotland, NatWest's parent company. Consequently the security held by NatWest has been released and in its place is a fixed and floating charge over the 3<sup>rd</sup> party debts of the business only.

## 14 CREDITORS Amounts falling due after one year

	2007	2006
	£'000	£'000
Bank loans	-	8
Obligations under finance leases and hire purchase agreements	350	102
	<u>350</u>	<u>110</u>
Bank loans		
Wholly repayable within 5 years	491	49
Included in current liabilities	(491)	(41)
	<u>-</u>	<u>8</u>
Loan maturity analysis		
In more than one year but not more than two years	-	8
	<u>-</u>	<u>8</u>
Obligations under finance leases and hire purchase contracts		
Repayable within one year	225	165
Repayable between two and five years	350	102
	<u>575</u>	<u>267</u>
Included in current liabilities	(225)	(165)
	<u>350</u>	<u>102</u>

## 15 PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Deferred taxation £'000</i>
Balance at 1 July 2006	115
Transfer from profit and loss account	(6)
Balance at 30 June 2007	<u>109</u>

Deferred taxation provided in the financial statements is as follows

	2007 £'000	2006 £'000
Excess of tax allowances over depreciation	115	130
Tax losses available	(6)	(15)
	<u>109</u>	<u>115</u>

## 16 SHARE CAPITAL

	2007 £'000	2006 £'000
Authorised		
100,000 Ordinary shares of £1 each	100	100
10 000 Ordinary A shares of £1 each	10	10
	<u>110</u>	<u>110</u>
Allotted, issued and fully paid		
28,764 Ordinary shares of £1 each	<u>29</u>	<u>29</u>

## 17 STATEMENT OF MOVEMENT ON RESERVES

	<i>Share premium account £'000</i>	<i>Profit and loss account £'000</i>
1 July 2006	30	988
Retained profit for the year	-	(26)
Dividend paid during the year	-	(28)
30 June 2007	<u>30</u>	<u>934</u>

## 18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007	2006
	£'000	£'000
(Loss)/profit for the financial year	(26)	116
Dividend paid	(28)	-
	<hr/>	<hr/>
Net movement in shareholders' funds	(54)	116
Opening shareholders' funds	1,047	931
	<hr/>	<hr/>
Closing shareholders' funds	993	1,047
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BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

19 CASH FLOWS

	2007 £'000	2006 £'000
a Reconciliation of operating profit to net cash inflow from operating activities		
Operating profit	73	250
Depreciation of tangible assets	72	75
Profit on disposal of fixed assets	-	(1)
Decrease / (increase) in stocks	39	(68)
Decrease / (increase) in debtors	126	(202)
Increase in creditors within one year	193	348
Net cash inflow from operating activities	503	401

b Analysis of net debt

	1 July 2006 £'000	Cash flow £'000	Other non-cash changes £'000	30 June 2007 £'000
Net cash				
Cash at bank and in hand	14	209	-	223
Bank overdraft	(448)	448	-	-
Invoice finance creditor	-	(701)	-	(701)
	(434)	(44)	-	(478)
Bank deposits				
Debt				
Finance leases	(267)	(308)	-	(575)
Debts falling due within one year	(41)	(450)	-	(491)
Debts falling due after one year	(8)	8	-	-
	(316)	(750)	-	(1,066)
Net debt	(750)	(794)	-	(1,544)

	2007 £'000	2006 £'000
c Reconciliation of net cash flow to movement in net debt		
Increase/(decrease) in cash in the year	(44)	27
Cash outflow from decrease in debt and lease financing	-	88
Change in net debt resulting from cash flows	-	115
New finance leases	(308)	(38)
New debt	(442)	-
Movement in net debt during the year	(794)	77
Opening net debt	(750)	(827)
Closing net debt	(1,544)	(750)

BODDINGTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

20 CAPITAL COMMITMENTS

2007	2006
£'000	£'000

Capital expenditure contracted for but not provided  
in the financial statements

15	139
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21 COMMITMENTS UNDER OPERATING LEASES

At 30 June 2007 the company had annual commitments under non-cancellable operating leases as follows

2007	2006
£'000	£'000

Land and buildings

Expiring after five years

201	201
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Plant and machinery

Expiring in the second to fifth year

12	23
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213	224
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22 PENSION COMMITMENTS

The company operates a defined contribution pension scheme only

2007	2006
£'000	£'000

Contributions payable by the company during the year

52	41
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23 TRANSACTIONS WITH DIRECTORS

Management fees of £268,000 (2006 £256,000) were paid to Boddingtons International Limited a company controlled by one of the directors £4,000 in respect of these fees was owing at the year end to Boddingtons International Limited

24 CONTROL

The company is controlled by J P Warner by virtue of his shareholding in both Boddingtons Limited and Boddingtons International Limited

25 RELATED PARTY TRANSACTIONS

Management fees of £268,000 (2006 £256,000) were paid to Boddingtons International Limited a company controlled by one of the directors. £4,000 in respect of these fees was owing at the year end to Boddingtons International Limited.

Boddingtons Limited has a wholly owned subsidiary Boddingtons Australia Pty Limited ('Boddingtons Australia') which in turn has a subsidiary Boddingtons Asia Limited.

Sales to Boddingtons Australia in the year totalled £139,000 (2006 £131,000). As at the balance sheet date this company owed £27,000 (2006 £140,000) to Boddingtons Limited.

At 30 June 2007 the company owed £11,000 (2006 £3,000) to the Boddingtons Limited Unapproved Employee Share Ownership Trust.

The Trust was set up for the benefit of the current and future employees and held for their specific benefit. Shares not allocated are held for the benefit of employees generally. At 30 June 2007 the Boddingtons Limited Unapproved Share Ownership Trust owns 3,202 shares of Boddingtons Limited.

26 NON ADJUSTING POST BALANCE SHEET EVENT

On the 19th of March 2008 the business converted a £500,000 on call facility used to finance capital expenditure to a Euro lease repayable over 5 years. At 30 June 2007 the amount of the facility that had been used was £470,000 and this amount is included at note 13 within bank loans due within one year that at 30 June 2007 had a balance of £491,000.