

# Andersons (Denton Holme) Limited

## ABBREVIATED ACCOUNTS

for the year ended

31 December 2007



# Andersons (Denton Holme) Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

M Barker  
V Woods

### SECRETARY

C Barker

### REGISTERED OFFICE

Denton Holme Sawmills  
Denton Street  
Carlisle  
Cumbria  
CA2 5EQ

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
Pelican House  
10 Curren Street  
Bradford  
BD1 5BA

### BANKERS

National Westminster Bank plc  
PO Box 666  
Ashton House  
Waterloo Street  
Bolton  
BL1 8FH

# Andersons (Denton Holme) Limited

## DIRECTORS' REPORT

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The directors submit their report and financial statements of Andersons (Denton Holme) Limited for the year ended 31 December 2007

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of timber merchants and kitchen furniture suppliers

### REVIEW OF THE BUSINESS

The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £898,197

The company supplies timber, kitchen and joinery products, to both trade and retail customers, from its three branches located in Carlisle, Dumfries and Kilmarnock. The company has also acquired a property for development

The Directors are pleased to report another successful year of trading with increased turnover on previous year. Interest rates have had no adverse impact on the business, the balance of trade, retail, new build and renovations diversifying the risk somewhat

The safety record is excellent once again, with no reportable incidents. The Company is committed to a full continuous training programme for all employees to ensure this record continues across all branches of the business

The Company is progressing with land acquisition with negotiations for a second site currently ongoing. This will ensure progress with our planned expansion during 2008 and 2009

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £186,780. Particulars of dividends paid are detailed in note 7 to the financial statements

### FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The directors believe that they have addressed all the major risks faced by the business. The company has long term supply agreements in place with key suppliers and recent interest rate rises have not had an adverse effect on sales. Bad debt risk remains an issue but is managed as effectively as possible. The company is committed to a full programme of staff training and has benefited in the past from a low rate of staff turnover

The directors continually strive to monitor and anticipate change in the market place and embrace new products and technologies to ensure that the business is a market leader and not a follower

The current building of new property, along with the trend of refurbishing older buildings that are increasing in value, is expected to lead to higher demand for the company's products in the medium term

### DIRECTORS

The directors who served the company during the year were as follows

M Barker  
V Woods

# Andersons (Denton Holme) Limited

## DIRECTORS' REPORT

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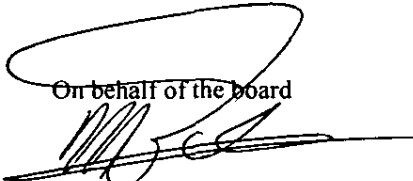
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of 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 have 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.

### AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditor will be put to the members at the annual general meeting.

On behalf of the board



M Barker  
Director

9 June 2008

# Andersons (Denton Holme) 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 these 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,
- 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 that 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 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.

AUDITOR'S REPORT TO ANDERSONS (DENTON HOLME) LIMITED UNDER  
SECTION  
247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 6 to 18, together with the financial statements of Andersons (Denton Holme) Limited for the year ended 31 December 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 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 for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the directors and the auditor**

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision 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 have been properly prepared in accordance with that provision.

*Baker Tilly UK Audit LLP*

BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants  
Pelican House  
10 Currer Street  
Bradford BD1 5BA

9 June 2008

**Andersons (Denton Holme) Limited**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
for the year ended 31 December 2007

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	<i>Notes</i>	2007 £	2006 £
Gross profit		2,888,550	2,703,672
Administrative expenses		2,552,547	2,418,952
<b>OPERATING PROFIT</b>	2	<u>336,003</u>	<u>284,720</u>
Interest receivable		(13)	3,781
		<u>335,990</u>	<u>288,501</u>
Interest payable and similar charges	5	(57,738)	(61,212)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>278,252</u>	<u>227,289</u>
Taxation	6	91,472	85,662
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>186,780</u>	<u>141,627</u>

The operating profit for the year arises from the company's continuing operations

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

# Andersons (Denton Holme) Limited

## ABBREVIATED BALANCE SHEET

31 December 2007

	<i>Notes</i>	2007 £	2006 £
<b>FIXED ASSETS</b>			
Tangible assets	8	<u>1,735,431</u>	<u>1,736,333</u>
<b>CURRENT ASSETS</b>			
Stocks	9	1,284,228	916,454
Debtors	10	1,242,685	1,022,611
Cash at bank and in hand		<u>521</u>	<u>20,771</u>
		2,527,434	1,959,836
<b>CREDITORS</b>			
Amounts falling due within one year	11	<u>2,679,706</u>	<u>2,096,893</u>
<b>NET CURRENT LIABILITIES</b>		(152,272)	(137,057)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,583,159</u>	<u>1,599,276</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	12	<u>621,462</u>	<u>672,359</u>
		961,697	926,917
<b>PROVISIONS FOR LIABILITIES</b>			
Deferred taxation	14	<u>63,500</u>	<u>65,500</u>
		<u>898,197</u>	<u>861,417</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	16	50,000	50,000
Revaluation reserve		426,131	426,131
Profit and loss account	17	<u>422,066</u>	<u>385,286</u>
<b>SHAREHOLDERS' FUNDS</b>	18	<u>898,197</u>	<u>861,417</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

The abbreviated accounts on pages 6 to 18 were approved by the directors and authorised for issue on 9 June 2008 and are signed on their behalf by



M Barker



# Andersons (Denton Holme) Limited

## CASH FLOW STATEMENT

for the year ended 31 December 2007

	2007 £	2006 £
Net cash flow from operating activities	187,475	234,546
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	(13)	3,781
Interest paid	(49,123)	(48,645)
Interest element of hire purchase	(8,615)	(12,567)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>(57,751)</b>	<b>(57,431)</b>
<b>TAXATION</b>	<b>(83,586)</b>	<b>(145,048)</b>
<b>CAPITAL EXPENDITURE</b>		
Payments to acquire tangible fixed assets	(198,723)	(121,468)
Receipts from sale of fixed assets	35,194	24,354
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>	<b>(163,529)</b>	<b>(97,114)</b>
Equity dividends paid	(150,000)	–
<b>CASH OUTFLOW BEFORE FINANCING</b>	<b>(267,391)</b>	<b>(65,047)</b>
<b>FINANCING</b>		
Increase in/(repayment of) bank loans	151,365	(51,024)
Net inflow/(outflow) from other short-term creditors	4,289	(49,439)
Capital element of hire purchase	52,923	(17,900)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING</b>	<b>208,577</b>	<b>(118,363)</b>
<b>DECREASE IN CASH IN THE PERIOD</b>	<b>(58,814)</b>	<b>(183,410)</b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
	2007 £	2006 £
Operating profit	336,003	284,720
Depreciation	168,682	175,058
Profit on disposal of fixed assets	(4,251)	(1,613)
Increase in stocks	(367,774)	(218,158)
(Increase)/decrease in debtors	(220,074)	132,813
Increase/(decrease) in creditors	274,889	(138,274)
<b>Net cash inflow from operating activities</b>	<b>187,475</b>	<b>234,546</b>

# Andersons (Denton Holme) Limited

## CASH FLOW STATEMENT (continued)

for the year ended 31 December 2007

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007 £	2006 £
Decrease in cash in the period	(58,814)	(183,410)
Net cash (inflow) from/outflow from bank loans	(151,365)	51,024
Net (inflow) from/outflow from other short-term creditors	(4,289)	49,439
Cash outflow in respect of hire purchase	(52,923)	17,900
CHANGE IN NET DEBT	<u>(267,391)</u>	<u>(65,047)</u>
NET DEBT AT 1 JANUARY 2007	<u>(1,339,496)</u>	<u>(1,274,449)</u>
NET DEBT AT 31 DECEMBER 2007	<u>(1,606,887)</u>	<u>(1,339,496)</u>

### ANALYSIS OF NET DEBT

	At 1 Jan 2007 £	Cash flows £	At 31 Dec 2007 £
Cash in hand and at bank	20,771	(20,250)	521
Overdrafts	–	(38,564)	(38,564)
	<u>20,771</u>	<u>(58,814)</u>	<u>(38,043)</u>
Debt due within 1 year	(639,785)	(226,879)	(866,664)
Debt due after 1 year	(624,034)	71,225	(552,809)
Hire purchase agreements	(96,448)	(52,923)	(149,371)
	<u>(1,360,267)</u>	<u>(208,577)</u>	<u>(1,568,844)</u>
Total	<u>(1,339,496)</u>	<u>(267,391)</u>	<u>(1,606,887)</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

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### 1 ACCOUNTING POLICIES

#### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

#### TURNOVER

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

#### FIXED ASSETS

All fixed assets are initially recorded at cost

The company has adopted a policy of regular property revaluations in accordance with FRS15

#### DEPRECIATION

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2% straight line
Leasehold Property	-	over the period of the lease
Plant & Machinery	-	4% - 10% straight line
Fixtures & Fittings	-	10% - 25% straight line
Motor Vehicles	-	25-33% straight line

#### STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

#### HIRE PURCHASE AGREEMENTS

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding

#### OPERATING LEASE AGREEMENTS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

#### PENSION COSTS

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

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### 1 ACCOUNTING POLICIES *(continued)*

#### 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 an 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 from 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.

#### FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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
	£	£
Depreciation of owned fixed assets	130,957	152,748
Depreciation of assets held under hire purchase agreements	37,725	22,310
Profit on disposal of fixed assets	(4,251)	(1,613)
Auditor's remuneration		
- as auditor	8,500	8,000
Operating lease costs		
Plant and equipment	47,179	52,904
Other	<u>157,803</u>	<u>162,368</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

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### 3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to

	2007 No	2006 No
Number of production staff	47	41
Number of administrative staff	13	13
Number of management staff	2	2
	<u>62</u>	<u>56</u>

The aggregate payroll costs of the above were

	2007 £	2006 £
Wages and salaries	1,349,221	1,193,921
Social security costs	141,744	128,720
Other pension costs	26,649	23,028
	<u>1,517,614</u>	<u>1,345,669</u>

### 4 DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were

	2007 £	2006 £
Emoluments receivable	206,166	165,098
Value of company pension contributions to money purchase schemes	17,644	17,239
	<u>223,810</u>	<u>182,337</u>

The number of directors who accrued benefits under company pension schemes was as follows

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

### 5 INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Interest payable on bank borrowing	46,015	43,114
Finance charges	8,615	12,567
Other similar charges payable	3,108	5,531
	<u>57,738</u>	<u>61,212</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS for the year ended 31 December 2007

### 6 TAXATION ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the year

	2007 £	2006 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year	97,000	85,000
Over/under provision in prior year	(3,528)	662
Total current tax	<u>93,472</u>	<u>85,662</u>
Deferred tax		
Origination and reversal of timing differences	(2,000)	-
Tax on profit on ordinary activities	<u>91,472</u>	<u>85,662</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2006 - 30%)

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>278,252</u>	<u>227,289</u>
Profit on ordinary activities by rate of tax	83,476	68,187
Capital allowances in excess of depreciation	10,488	12,367
Permanent differences	6,213	7,711
Other differences	1,077	2,394
Under / (Over) provision in prior years	(3,528)	662
Small companies relief	(4,254)	(5,659)
Total current tax (note 6(a))	<u>93,472</u>	<u>85,662</u>

### 7 DIVIDENDS

#### Equity dividends

	2007 £	2006 £
Paid during the year		
Equity dividends on ordinary shares £3 00 (2006 £-)	<u>150,000</u>	<u>-</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

### 8 TANGIBLE FIXED ASSETS

	Freehold Property £	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>Cost or valuation</b>						
At 1 Jan 2007	1,187,131	17,691	202,141	796,322	204,197	2,407,482
Additions	9,928	–	–	49,194	139,601	198,723
Disposals	–	–	–	(33,965)	(53,250)	(87,215)
At 31 Dec 2007	<u>1,197,059</u>	<u>17,691</u>	<u>202,141</u>	<u>811,551</u>	<u>290,548</u>	<u>2,518,990</u>
<b>Depreciation</b>						
At 1 Jan 2007	45,235	5,307	102,114	384,126	134,367	671,149
Charge for the year	23,825	1,769	19,365	85,218	38,505	168,682
On disposals	–	–	–	(15,563)	(40,709)	(56,272)
At 31 Dec 2007	<u>69,060</u>	<u>7,076</u>	<u>121,479</u>	<u>453,781</u>	<u>132,163</u>	<u>783,559</u>
<b>Net book value</b>						
At 31 Dec 2007	<u>1,127,999</u>	<u>10,615</u>	<u>80,662</u>	<u>357,770</u>	<u>158,385</u>	<u>1,735,431</u>
At 31 Dec 2006	<u>1,141,896</u>	<u>12,384</u>	<u>100,027</u>	<u>412,196</u>	<u>69,830</u>	<u>1,736,333</u>

The company's freehold property was revalued on an open market basis by Sanderson Weatherall, Chartered Surveyors as at 31 December 2004 as being £950,000

As at 31 December 2007, the directors believe that the carrying value of the property is not materially different to the market value

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows

	2007 £	2006 £
Historical cost	<u>669,277</u>	<u>669,277</u>
Depreciation		
At 1 Jan 2007	218,352	204,966
Charge for year	13,386	13,386
At 31 Dec 2007	<u>231,738</u>	<u>218,352</u>
Net historical cost value		
At 31 Dec 2007	<u>437,539</u>	<u>450,925</u>
At 1 Jan 2007	<u>450,925</u>	<u>464,311</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

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### 8 TANGIBLE FIXED ASSETS *(continued)*

#### Hire purchase agreements

Included within the net book value of £1,735,431 is £158,535 (2006 - £116,077) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £37,725 (2006 - £22,310)

### 9 STOCKS

	2007	2006
	£	£
Finished goods	1,054,533	916,454
Development property	229,695	—
	<u>1,284,228</u>	<u>916,454</u>

### 10 DEBTORS

	2007	2006
	£	£
Trade debtors	751,417	816,647
Amounts owed by related undertakings	187,508	50,700
Other debtors	66,886	44,050
Directors' current account	158,732	35,483
Prepayments and accrued income	78,142	75,731
	<u>1,242,685</u>	<u>1,022,611</u>

During the year ended 31 December 2007 the company loaned monies to M Barker, a director, on an interest free basis. The balance at 31 December 2007 was £134,223 (2006 £35,483) and the maximum balance outstanding during the year was £314,673.

During the year ended 31 December 2007 the company loaned monies to V Woods, a director, on an interest free basis. The balance at 31 December 2007 was £24,509 (2006 £nil) and the maximum balance outstanding during the year was £40,854.



# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

### 11 CREDITORS Amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	331,668	70,514
Trade creditors	1,326,814	1,088,030
Corporation tax	97,000	87,114
Other taxation	6,865	32,971
Hire purchase agreements	80,718	48,123
Other creditors	114,229	84,192
Factoring account	573,560	569,271
Directors' current account	–	13,433
Accruals and deferred income	148,852	103,245
	<u>2,679,706</u>	<u>2,096,893</u>

The company held three bank loans at 31 December 2007

The first bank loan is being repaid monthly in arrears over 5 years Interest is being incurred on this loan at 1 5% above the Bank's Base Rate

The second bank loan is being repaid monthly in arrears over 12 years Interest is being incurred on this loan at 1 5% above the Bank's Base Rate

The third bank loan is an interest only loan, with the capital due to be repaid on 31 December 2008 Interest is being incurred on this loan at 1 5% above the Bank's Base Rate

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	293,104	70,514
Other creditors including taxation	573,560	569,271
Hire purchase contracts	80,718	48,123
	<u>947,382</u>	<u>687,908</u>

In order to provide security over the bank facilities enjoyed by the company there is a first legal mortgage dated 20 April 2001 over the freehold property at Denton Holme Sawmills, Carlisle

### 12 CREDITORS Amounts falling due after more than one year

	2007	2006
	£	£
Bank loans and overdrafts	552,809	624,034
Hire purchase agreements	68,653	48,325
	<u>621,462</u>	<u>672,359</u>

# Andersons (Denton Holme) Limited

## NOTES TO THE ABBREVIATED ACCOUNTS

for the year ended 31 December 2007

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### 12 CREDITORS Amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	552,809	624,034
Hire purchase contracts	68,653	48,325
	<u>621,462</u>	<u>672,359</u>

The following aggregate liabilities disclosed under creditors falling due after more than one year are due for repayment after more than five years from the balance sheet date

	2007	2006
	£	£
Bank loans and overdrafts	<u>305,788</u>	<u>332,474</u>

### 13 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS

Future commitments under hire purchase agreements are as follows

	2007	2006
	£	£
Amounts payable within 1 year	80,718	48,123
Amounts payable between 2 to 5 years	68,653	48,325
	<u>149,371</u>	<u>96,448</u>

### 14 DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2007	2006
	£	£
Provision brought forward	65,500	65,500
Profit and loss account movement arising during the year	(2,000)	-
Provision carried forward	<u>63,500</u>	<u>65,500</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007	2006
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>63,500</u>	<u>65,500</u>
	<u>63,500</u>	<u>65,500</u>

**Andersons (Denton Holme) Limited**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
for the year ended 31 December 2007

**15 COMMITMENTS UNDER OPERATING LEASES**

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire				
Within 1 year	-	16,454	-	10,015
Within 2 to 5 years	-	61,099	-	75,493
After more than 5 years	96,400	-	96,400	-
	<u>96,400</u>	<u>77,553</u>	<u>96,400</u>	<u>85,508</u>

**16 SHARE CAPITAL**

	2007 £	2006 £
Authorised 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
	2007 £	2006 £
Allotted, called up and fully paid 50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

**17 PROFIT AND LOSS ACCOUNT**

	2007 £	2006 £
At 1 January 2007	385,286	243,659
Retained profit for the financial year	186,780	141,627
Equity dividends	(150,000)	-
At 31 December 2007	<u>422,066</u>	<u>385,286</u>

**18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2007 £	2006 £
Profit for the financial year	186,780	141,627
Equity dividends	(150,000)	-
Net addition to shareholders' funds	<u>36,780</u>	<u>141,627</u>
Opening shareholders' funds	861,417	719,790
Closing shareholders' funds	<u>898,197</u>	<u>861,417</u>