



Financial Statements Stephen Walters & Sons Limited

For the Year Ended 31 March 2008



Company No. 00060209

Company information

Company registration number	00060209
Registered office	Sudbury Silk Mills Cornard Road Sudbury Suffolk CO10 2XB
Directors	Mr D J Walters Mr J S Walters Mr T Sunman Mr J D Walters Mr B Crabtree Mr M James
Secretary	Ms N Currie
Bankers	Lloyds TSB Bank plc Abbey National Plc
Solicitors	Birkett Long
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Crown House Crown Street IPSWICH Suffolk IP1 3HS

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 March 2008

Principal activities and business review

The company is principally engaged in the weaving of fabrics from silk and other fibres

Turnover decreased by 4% to £6.7m, with gross margin up from 36.0% to 40.8%

With operating charges down by 23.7%, the company made a net profit before tax of 2.0% on sales (2007 - loss of 12.4%)

Liquidity remains strong, with a liquidity ratio of 1.6 (2007 - 1.3)

The directors are satisfied with the result for the year and anticipate continued profitability in the coming year

Results and dividends

The profit for the year, after taxation, amounted to £135,751. The directors have not recommended a dividend.

Financial risk management objectives and policies

The company aims to minimise financial risk in its operations by the identification and mitigation of key risk areas. The key areas of risk identified by the directors are market risk, price risk, credit risk and currency risk.

The measures used by the directors to manage general financial, market and price risks include the preparation of profit and loss budgets and the regular monitoring of actual performance against these budgets.

Credit risk, as identified by the directors, arises from the company's trade debtors. In order to manage credit risk the directors set limits for customers and ensure that credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

The directors have identified that the company is exposed to translation and transaction foreign exchange risk. The directors use foreign currency forecasts which are regularly monitored to analyse the exposure to foreign currency gains or losses, and identify any necessary actions. Forward and other similar contracts are also used if the directors consider it to be appropriate.

Directors

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

Mr D J Walters
Mr J S Walters
Mr T Sunman
Mr J D Walters
Miss J McSorley (resigned 30 June 2008)
Mr B Crabtree
Mr M James

Directors' responsibilities

The directors are responsible for preparing the Report of the Directors 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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

- select suitable accounting policies and then apply them consistently,
- make judgements 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 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Grant Thornton UK LLP, having offered themselves for reappointment as auditors, shall be deemed to be reappointed for the next financial year in accordance with section 386 of the Companies Act 1985

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to be 'J D Walters', with a long horizontal stroke extending to the right.

Director
J D Walters

28 September 2008



Report of the independent auditor to the members of Stephen Walters & Sons Limited

We have audited the financial statements of Stephen Walters & Sons Limited for the year ended 31 March 2008 which comprise the principal accounting policies, profit and loss account, balance sheet, cash flow statement and notes 1 to 27. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and 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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Report of the independent auditor to the members of Stephen Walters & Sons Limited (continued)

Basis of 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 as at 31 March 2008 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

IPSWICH

23 October 2008

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax. Invoices are raised when goods are despatched.

Fixed assets

All fixed assets are initially recorded at cost.

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:

Plant & Machinery	-	15 - 33%
Fixtures & Fittings	-	20%
Motor Vehicles	-	20%

Stocks

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

Cost includes amounts incurred in bringing each product to its present location and condition.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

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

Defined contribution scheme

The pension costs charged against profits represent the amount of contributions payable to the scheme in respect of the accounting period

Defined benefit scheme

The company is accounting for the defined benefit scheme as a defined contribution scheme as the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Shares in the subsidiary undertaking are included at original cost less any amounts written off for permanent diminution in value.

Foreign currency transactions

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transition. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date, except for those assets and liabilities which are covered by forward exchange contracts.

All exchange gains and losses in the normal course of business are taken to the profit and loss account.

Profit and loss account

	Note	2008 £	2007 £
Turnover	1	6,732,992	7,032,228
Cost of sales		3,985,098	4,499,078
Gross profit		2,747,894	2,533,150
Other operating charges	2	2,594,131	3,398,559
Other operating income		(9,000)	—
Operating profit/(loss)	3	162,763	(865,409)
Interest receivable	6	39,325	82,680
Amounts written off investments	7	—	(751)
Interest payable and similar charges	8	(65,646)	(85,543)
Profit/(loss) on ordinary activities before taxation		136,442	(869,023)
Tax on profit/(loss) on ordinary activities	9	691	(27,247)
Profit/(loss) for the financial year	21	135,751	(841,776)

All of the activities of the company are classed as continuing

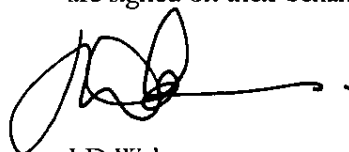
The company has no recognised gains or losses other than the results for the year as set out above

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	10	<u>917,440</u>	<u>1,031,143</u>
Current assets			
Stocks	11	814,773	1,041,480
Debtors	12	2,201,891	2,999,623
Cash at bank and in hand		<u>355,433</u>	<u>605,565</u>
		<u>3,372,097</u>	<u>4,646,668</u>
Creditors: amounts falling due within one year	13	<u>2,093,134</u>	<u>3,577,159</u>
Net current assets		<u>1,278,963</u>	<u>1,069,509</u>
Total assets less current liabilities		<u>2,196,403</u>	<u>2,100,652</u>
Provisions for liabilities			
Deferred taxation	15	—	40,000
		<u>2,196,403</u>	<u>2,060,652</u>
Capital and reserves			
Called-up equity share capital	19	32,466	32,466
Other reserves	20	19,558	19,558
Profit and loss account	21	2,144,379	2,008,628
Shareholders' funds	22	<u>2,196,403</u>	<u>2,060,652</u>

These financial statements were approved by the directors and authorised for issue on 28/9/08, and are signed on their behalf by



J D Walters
Director

The accompanying accounting policies and notes form part of these financial statements.

Cash flow statement

	Note	2008 £	2007 £
Net cash inflow/(outflow) from operating activities	23	1,879,367	(2,557,313)
Returns on investments and servicing of finance			
Interest received		39,325	82,680
Interest paid		(65,646)	(85,543)
Net cash outflow from returns on investments and servicing of finance		(26,321)	(2,863)
Taxation		-	192,112
Capital expenditure			
Payments to acquire tangible fixed assets		(126,810)	(140,459)
Receipts from sale of fixed assets		(190)	16,851
Net cash outflow from capital expenditure		(127,000)	(123,608)
Increase/(decrease) in cash	24	<u>1,726,046</u>	<u>(2,491,672)</u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company. An analysis of turnover by geographical market has not been disclosed as the directors consider that such analysis would be seriously prejudicial to the business.

2 Other operating charges

	2008 £	2007 £
Distribution costs	496,934	696,445
Administrative expenses	2,097,197	2,702,114
	<u>2,594,131</u>	<u>3,398,559</u>

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting)

	2008 £	2007 £
Depreciation of owned fixed assets	361,302	381,035
(Loss)/Profit on disposal of fixed assets	190	(16,851)
Auditor's remuneration		
Audit fees	13,100	13,000
Operating lease costs		
Other	<u>103,750</u>	<u>103,750</u>

4 Directors and employees

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

	2008 No	2007 No
Textile operatives	63	82
Administration	51	49
	<u>114</u>	<u>131</u>

The aggregate payroll costs of the above were

	2008 £	2007 £
Wages and salaries	2,388,395	2,763,652
Social security costs	239,739	259,803
Other pension costs	148,790	412,957
	<u>2,776,924</u>	<u>3,436,412</u>

5 Directors

Remuneration in respect of directors was as follows

	2008 £	2007 £
Emoluments receivable	431,620	449,276
Value of company pension contributions	54,666	113,703
	<u>486,286</u>	<u>562,979</u>

Emoluments of highest paid director

	2008 £	2007 £
Total emoluments (excluding pension contributions)	85,932	86,857
Value of company pension contributions	18,570	70,000
	<u>104,502</u>	<u>156,857</u>

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

	2008 No	2007 No
Money purchase schemes	8	4
Defined benefit schemes	<u>-</u>	<u>4</u>

6 Interest receivable

	2008	2007
	£	£
Bank interest receivable	<u>39,325</u>	<u>82,680</u>

7 Amounts written off investments

	2008	2007
	£	£
Amount written off investments	<u>-</u>	<u>751</u>

Amounts written off investments during the year ended 31 March 2007 relates to the writing off of the 100% shareholding in the issued share capital of Alipes 82, an unlimited investment company. During the current year, this company was dissolved.

8 Interest payable and similar charges

	2008	2007
	£	£
Interest payable on bank borrowing	<u>65,646</u>	<u>85,543</u>

9 Taxation on ordinary activities

(a) Analysis of charge in the year

	2008	2007
	£	£
Current tax		
UK Corporation tax based on the results for the year at 30% (2007 - 19%)	-	(27,247)
Over/under provision in prior year	<u>40,691</u>	<u>-</u>
Total current tax	<u>40,691</u>	<u>(27,247)</u>
Deferred tax		
Origination and reversal of timing differences	<u>(40,000)</u>	<u>-</u>
Tax on profit/(loss) on ordinary activities	<u>691</u>	<u>(27,247)</u>

9 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2007 - 19%)

	2008 £	2007 £
Profit/(loss) on ordinary activities before taxation	<u>136,442</u>	<u>(869,023)</u>
Profit/(loss) on ordinary activities by rate of tax	40,933	(165,114)
Expenses not deductible for tax purposes	5,932	4,536
Depreciation for the year in excess of capital allowances	(8,573)	10,240
Adjustments to tax charge in respect of previous periods	40,691	(27,247)
Other timing differences	30	9,261
Group relief	(11,687)	18,799
Utilisation of tax losses	(26,635)	-
Unrelieved tax losses	-	122,278
Total current tax (note 9(a))	<u>40,691</u>	<u>(27,247)</u>

10 Tangible fixed assets

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 1 April 2007	4,306,107	1,232,629	109,780	5,648,516
Additions	69,346	57,464	-	126,810
Disposals	-	-	(16,105)	(16,105)
Transfers	1,585,619	115,961	3,948	1,705,528
At 31 March 2008	<u>5,961,072</u>	<u>1,406,054</u>	<u>97,623</u>	<u>7,464,749</u>
Depreciation				
At 1 April 2007	3,676,357	868,930	72,086	4,617,373
Charge for the year	247,076	101,278	12,948	361,302
On disposals	-	-	(16,105)	(16,105)
Transfers	1,465,552	115,239	3,948	1,584,739
At 31 March 2008	<u>5,388,985</u>	<u>1,085,447</u>	<u>72,877</u>	<u>6,547,309</u>
Net book value				
At 31 March 2008	<u>572,087</u>	<u>320,607</u>	<u>24,746</u>	<u>917,440</u>
At 31 March 2007	<u>629,750</u>	<u>363,699</u>	<u>37,694</u>	<u>1,031,143</u>

Assets were transferred from David Walters Fabrics Limited with a net book value of £120,789 during the year

11 Stocks

	2008 £	2007 £
Raw materials	442,708	634,943
Work in progress	134,006	155,059
Finished goods	238,059	251,478
	<u>814,773</u>	<u>1,041,480</u>

12 Debtors

	2008 £	2007 £
Trade debtors	936,128	994,261
Amounts owed by group undertakings	818,568	435,974
Corporation tax repayable	-	40,691
Amounts owed to related undertakings	10,265	-
Other debtors	354,031	1,322,118
Prepayments and accrued income	82,899	206,579
	<u>2,201,891</u>	<u>2,999,623</u>

13 Creditors: amounts falling due within one year

	2008 £	2007 £
Bank overdrafts	137,910	2,114,088
Trade creditors	242,439	115,075
Amounts owed to group undertakings	900,405	1,121,761
Other taxation and social security	99,097	39,894
Other creditors	465,680	48,871
Amounts owed to related undertakings	29,540	14,024
Accruals and deferred income	218,063	123,446
	<u>2,093,134</u>	<u>3,577,159</u>

Included within creditors due within one year is £35,831 (2007 - £36,754) relating to outstanding pension contributions

The bank overdrafts are secured on the assets of the company and also by various cross guarantees (see note 17)

14 Pensions

Defined contribution scheme

The company operates defined contribution pension schemes. The assets of the schemes are administered by trustees in a fund independent from those of the company.

The pension cost charge for the year was £148,790 (2007 - £159,293)

Defined benefit scheme

In previous years, the company operated a multi employer defined benefit pension scheme providing benefits based on final pensionable pay. The assets of the scheme were administered by trustees in a fund independent from those of the company. The scheme was closed to new members with effect from 1 April 2001.

In accordance with Financial Reporting Standard No 17, the company has accounted for the defined benefit scheme as a defined contribution scheme as the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

The pension cost charge for the year was £nil (2007 - £253,664)

During the previous year, deferred annuities were purchased for all remaining members of the pension scheme and winding up of the pension scheme was completed. No further liability has fallen on the company in addition to amounts already accounted for.

15 Deferred taxation

The movement in the deferred taxation provision during the year was

	2008 £	2007 £
Provision brought forward	40,000	40,000
Profit and loss account movement arising during the year	(40,000)	-
Provision carried forward	-	40,000

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

	2008		2007	
	Provided £	Unprovided £	Provided £	Unprovided £
Excess of taxation allowances over depreciation on fixed assets	-	(35,000)	40,000	-
Other timing differences	-	(12,000)	-	20,000
Losses carried forward	-	(126,000)	-	-
	-	(173,000)	40,000	20,000

16 Derivatives

During the year, the company used forward contracts to minimise exposure to foreign currency movements. At 31 March 2008, the fair value loss in relation to this arrangement was £96,622 (2007 - £1,369)

17 Contingent liabilities

The company has entered into an unlimited guarantee in connection with overdraft facilities provided to Glemsford Silk Mills Limited, David Walters Fabrics Limited, Spitalfields Fabrics Limited, Walters Trading Company Limited, The Humphries Weaving Company Limited and Spunella Limited

A guarantee has been given in favour of H M Revenue and Customs up to a limit of £50,000 (2007 - £50,000)

18 Related party transactions

During the year there were the following transactions with group undertakings and related parties

	2008 £	2007 £
Walters Holdings Limited		
Rent paid	102,000	102,000
David Walters Fabrics Limited		
Sale of goods	431,565	210,410
Trade purchases	12,727	131,255
Sale of management services	60,000	60,000
Transfer of plant and machinery	120,789	-
Glemsford Silk Mills Limited		
Sale of goods	-	2,886
Trade purchases	840,586	1,478,056
Sale of management services	36,600	36,600
Humphries Weaving Company Limited		
Sale of goods	10,278	-
Sale of management services	7,500	7,726
Rent received	3,000	3,000
Walters Trading Company Limited		
Sale of goods	109,416	76,241
Sale of management services	35,000	-
Sales commission received	35,910	-
Rent received	3,000	-
Spitalfields Fabrics Limited		
Payment of design royalties	61,066	105,270

Mr P B Walters

Purchase of consultancy fees	7,375	7,475
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All of the above transactions were at arms length on normal commercial terms

Mr P B Walters is the father of DJ Walters, a director of the company

At 31 March 2008, the following balances existed with group undertakings and related parties

Walters Holdings Limited

Creditor	(456,178)	(714,716)
Debtor	527,442	48,400

David Walters Fabrics Limited

Creditor	(360,890)	(157,999)
Debtor	60,075	279,895

Glemsford Silk Mills Limited

Creditor	(79,640)	(225,555)
Debtor	132,648	78,241

Walters Trading Company Limited

Creditor	(3,438)	(22,661)
Debtor	86,870	23,794

Humphries Weaving Company Limited

Creditor	(259)	(830)
Debtor	11,533	5,644

Spitalfields Fabrics Limited

Creditor	(29,540)	(14,024)
Debtor	10,267	–

Walters Holdings Limited is this company's parent undertaking David Walters Fabrics Limited, Glemsford Silk Mills Limited, The Humphries Weaving Company Limited and Walters Trading Company Limited are fellow subsidiaries Spitalfields Fabrics Limited is a related company due to common control by the Walters family

19 Share capital

Authorised share capital

	2008 £	2007 £
63,750 Ordinary shares of £1 each	63,750	63,750
11,250 Preference shares of £1 each	11,250	11,250
	<u>75,000</u>	<u>75,000</u>

Allotted, called up and fully paid

	2008		2007	
	No	£	No	£
Ordinary shares of £1 each	<u>32,466</u>	<u>32,466</u>	<u>32,466</u>	<u>32,466</u>

20 Other reserves

	2008 £	2007 £
Capital redemption reserve	<u>19,558</u>	<u>19,558</u>

21 Profit and loss account

	2008 £	2007 £
Balance brought forward	2,008,628	2,850,404
Profit/(loss) for the financial year	135,751	(841,776)
Balance carried forward	<u>2,144,379</u>	<u>2,008,628</u>

22 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit/(loss) for the financial year	135,751	(841,776)
Opening shareholders' funds	2,060,652	2,902,428
Closing shareholders' funds	<u>2,196,403</u>	<u>2,060,652</u>

23 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	2008 £	2007 £
Operating profit/(loss)	162,763	(865,409)
Depreciation	361,302	387,035
Loss/(profit) on disposal of fixed assets	190	(16,851)
Decrease in stocks	226,707	114,109
Decrease/(increase) in debtors	757,041	(1,066,619)
Increase/(decrease) in creditors	371,364	(1,109,578)
Net cash inflow/(outflow) from operating activities	<u>1,879,367</u>	<u>(2,557,313)</u>

24 Reconciliation of net cash flow to movement in net funds

	2008 £	2007 £
Increase/(decrease) in cash in the period	1,726,046	(2,491,672)
Net debt at 1 April 2007	<u>(1,508,523)</u>	983,149
Net funds at 31 March 2008	<u>217,523</u>	<u>(1,508,523)</u>

25 Analysis of changes in net funds

	At 1 Apr 2007 £	Cash flows £	At 31 Mar 2008 £
Net cash			
Cash in hand and at bank	605,565	(250,132)	355,433
Overdrafts	<u>(2,114,088)</u>	<u>1,976,178</u>	<u>(137,910)</u>
	<u>(1,508,523)</u>	<u>1,726,046</u>	<u>217,523</u>

26 Capital commitments

The directors have confirmed that there were no capital commitments at 31 March 2008 or 31 March 2007

27 Controlling related party

Walters Holdings Limited is this company's parent undertaking. The Walters family is this company's ultimate controlling related party by virtue of its shareholdings in the ultimate parent undertaking Walters Holdings Limited.