ANDERSEN

Spade Oak Group Limited

Directors' report and financial statements
for the year ended 31 March 2002

Company number 1049982

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COMPANIES HOUSE 18/06/02

Directors' report

For the year ended 31 March 2002

The directors present their annual report on the affairs of the group, together with the financial statements and auditors' report, for the year ended 31 March 2002.

Principal activity

During the year the principal activity of the company continued to be the provision of management and other services to its subsidiary undertakings. These subsidiary undertakings carry out surfacing contracts.

Review of the business and future developments

The Group continues to utilise its strength in management and cash to provide improving trading levels and returns, a trend which is expected to continue.

Results and dividends

The group profit for the year after taxation amounted to £765,143 (2001: £459,301). During the year the directors paid an interim dividend of 5p (2001: 5p) per share. The directors recommend the payment of a final dividend of 20p (2001: 10p) per share and the retained profit of £487,643 (2001: £292,801) will be transferred to reserves.

Directors and their interests in share capital

The directors at the end of and during the year, and their share interests in the company at the beginning and end of the year, were:

	Ordinary shares of 10p each 2002	Ordinary shares of 10p each 2001
Angela V Wellington	150,000	150,000
PJ Michael Wellington	295,000	295,000
Peter NC Wellington	295,000	295,000
Paul DA Wellington	220,000	220,000
Clive A Jamieson	55,000	55,000
David M Dawe	55,000	55,000

Donations

The group made a total of £1,601 (2001: £1,050) in charitable donations in the year and no political contributions.

Auditors

From 1 January 2002 our auditors, Binder Hamlyn, now practise in the name Arthur Andersen. They have signed their audit report in the new name. In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Arthur Andersen be re-appointed as auditors of the company will be put to the Annual General Meeting.

Town Lane
Wooburn Green
High Wycombe
Bucks
HP10 0PD

By order of the Board

C. A. Jamieson

Clive A Jamieson
Secretary

13 June 2002

Statement of directors' responsibilities
31 March 2002

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the profit or loss of the group for that period. In preparing those 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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To the shareholders of Spade Oak Group Limited:

We have audited the financial statements of Spade Oak Group Limited for the year ended 31 March 2002 which comprise the Consolidated profit and loss account, the Consolidated balance sheet, the Company balance sheet, the Consolidated cash flow statement and the related notes numbered 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

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 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 United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' report is not consistent with the financial statements, if 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 transactions with the company and other members of the group 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 opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 circumstances of the company and group, 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 of the state of affairs of the company and of the group at 31 March 2002 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

Arthur Andersen
Chartered Accountants and Registered Auditors

Abbots House
Abbey Street
Reading
Berkshire
RG1 3BD

13 June 2002

Consolidated profit and loss account

For the year ended 31 March 2002

	Notes	2002	2001
		£	£
Turnover		21,250,338	17,734,241
Cost of sales		(16,475,136)	(13,911,145)
Gross profit		4,775,202	3,823,096
Administrative expenses		(3,735,422)	(3,161,000)
Operating profit		1,039,780	662,096
Interest receivable and similar income	1	77,781	65,878
Income from fixed asset investments		298	343
Interest payable and similar charges	2	(2,803)	(916)
Profit on ordinary activities before taxation	3	1,115,056	727,401
Tax on profit on ordinary activities	5	(349,913)	(268,100)
Profit on ordinary activities, being profit for the financial year	16	765,143	459,301
Dividends paid and proposed	6, 16	(277,500)	(166,500)
Retained profit for the year	15	487,643	292,801

The results for both years are derived from continuing operations.

The accompanying notes are an integral part of this profit and loss account.

There were no recognised gains or losses other than the profit for the above two financial years.

Consolidated balance sheet

As at 31 March 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	7	3,017,683	2,453,365
Investments	8	14,961	14,961
Investment in joint venture	9	5,000	5,000
		3,037,644	2,473,326
Current assets			
Stocks	10	185,130	170,083
Debtors	11	4,354,225	2,716,135
Cash at bank and in hand	19	2,222,010	2,282,138
		6,761,365	5,168,356
Creditors: amounts falling due within one year	12	(6,433,909)	(4,845,035)
Net current assets		327,456	323,321
Total assets less current liabilities		3,365,100	2,796,647
Provisions for liabilities and charges	13	(169,353)	(88,543)
Net assets		3,195,747	2,708,104
Capital and reserves			
Called-up share capital	14	111,000	111,000
Share premium account	15	42,100	42,100
Profit and loss account	15	3,042,647	2,555,004
Equity shareholders' funds	16	3,195,747	2,708,104

The accompanying notes are an integral part of this consolidated balance sheet.

Company balance sheet

As at 31 March 2002

	Notes	2002 £	2001 £
Fixed assets			
Tangible assets	7	112,257	149,788
Investments	8	14,961	14,961
Investment in subsidiary undertakings	9	6,500	6,500
		133,718	171,249
Current assets			
Debtors	11	648,250	415,196
Cash at bank and in hand		5,536	1,837
		653,786	417,033
Creditors: amounts falling due within one year	12	(493,093)	(318,935)
Net current assets		160,693	98,098
Net assets		294,411	269,347
Capital and reserves			
Called-up share capital	14	111,000	111,000
Share premium account	15	42,100	42,100
Profit and loss account	15	141,311	116,247
Equity shareholders' funds		294,411	269,347

The accounts on pages 5 to 23 were approved by the board of directors on 13 June 2002 and signed on its behalf by

PJ Michael Wellington Director

The accompanying notes are an integral part of this balance sheet.

Consolidated cash flow statement

For the year ended 31 March 2002

	Notes	2002 £	2001 £
Net cash inflow from operating activities	17	1,387,914	1,733,387
Returns on investments and servicing of finance	18	75,276	65,305
Taxation	18	(297,965)	(60,604)
Capital expenditure and financial investment	18	(1,058,853)	(746,708)
Equity dividends paid		(166,500)	(166,500)
Cash (outflow)/inflow before management of liquid resources and financing, being (decrease)/increase in cash in the year	19	(60,128)	824,880

The accompanying notes are an integral part of this consolidated cash flow statement.

Statement of accounting policies
31 March 2002

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year with the exception of the policy on deferred taxation which has been changed to comply with Financial Reporting Standard No 19. No prior year adjustment was required in relation to this change.

Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable accounting standards.

Basis of consolidation

The consolidated financial statements include the results of the company and of its subsidiaries for the year. A separate profit and loss account for the company has not been prepared, as permitted by Section 230 of the Companies Act 1985. Goodwill arising on the acquisition of businesses is capitalised and written off on a straight line basis over 20 years. Provision is made for any impairment.

Turnover

Turnover represents amounts receivable for work performed in the UK exclusive of trade discounts, value added tax and other sales related taxes.

Recognition of income

Each contract undertaken may consist of several phases. The income attaching to each phase is recognised when the work for that phase is complete.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and machinery	2-8 years
Office equipment and improvements	1-10 years
Motor vehicles	4 years

The investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties or of leasehold investment properties where the unexpired term of the lease is more than 20 years. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19. The financial effect of the departure from the statutory accounting rules cannot reasonably be quantified but is not thought to be material.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

Joint Ventures

In the group accounts investments in joint ventures are accounted for using the gross equity method. The consolidated profit and loss account includes the group's share of the joint ventures' profits less losses while the group's share of the net assets of joint ventures is shown in the consolidated balance sheet. Goodwill arising on the acquisition of joint ventures is accounted for in accordance with the policy set out above. Any unamortised balance of goodwill is included in the carrying value of the investment in joint ventures.

Stocks

Stocks, including work in progress, have been valued at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all further costs to completion.

Amounts recoverable on contracts

Amounts recoverable on contracts are included in debtors and are stated at the net sales value of the work done, less provision for contingencies and anticipated future losses on contracts and payments on account. They are comprised of work on contracts completed, but not invoiced or applied for, at the year end.

Leased assets and hire purchase obligations

Assets held under hire purchase agreements are capitalised in accordance with SSAP 21 and are depreciated over their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the agreements, in order to produce a constant rate of charge on the balance of capital repayments outstanding.

Assets held under operating leases are not capitalised and no depreciation is provided. Operating lease rentals are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Taxation (continued)

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Pension costs

Both the directors' and the staff pension schemes are defined contribution schemes. The profit and loss charge represents the amount contributed in the year.

1 Interest receivable and similar income

	2002 £	2001 £
Bank interest	77,645	62,564
Other	136	3,314
	77,781	65,878

2 Interest payable and similar charges

	2002 £	2001 £
Other	2,803	916

3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

		2002 £	2001 £
Depreciation			
- of owned assets		583,026	507,203
Operating lease rentals			
- land and buildings		91,250	83,465
- motor vehicles		110,488	105,425
Hire of plant and machinery		482,883	569,075
Auditors' remuneration	- audit	21,350	19,900
	- other services	23,320	18,673
Profit on sale of tangible fixed assets		(93,491)	(91,661)

4 Employees

Number of employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2002 Number	2001 Number
Administration	48	45
Roadmen	99	91
	147	136

4 Employees (continued)

Employment costs

	2002 £	2001 £
Wages and salaries	5,014,483	4,467,242
Social security costs	563,736	508,722
Other pension costs	265,611	82,185
	5,843,830	5,058,149

Directors' remuneration

The remuneration of the directors was as follows:	2002 £	2001 £
Emoluments	704,268	1,003,655
Company contributions to pension schemes	172,510	154,101
	876,778	1,157,756

The number of directors who were members of pension schemes was as follows:	2002 Number	2001 Number
Money purchase schemes	5	5

The above amounts for remuneration include the following in respect of the highest paid director:	2002 £	2001 £
Emoluments	266,393	245,770
Company contributions to pension schemes	55,675	41,029
	322,068	286,799

5 Tax on profit on ordinary activities

	2002 £	2001 £
Current tax:		
UK Corporation tax	269,103	205,334
Adjustments in respect of prior years	-	2,699
Total current tax	269,103	208,033
Deferred tax		
Origination and reversal of timing differences	80,810	60,067
Total tax on profit on ordinary activities	349,913	268,100

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2002 £	2001 £
Profit on ordinary activities before tax	1,115,056	727,401
Tax on profit on ordinary activities at standard UK corporation tax rate of 30% (2001: 30%).	334,517	218,220
Effects of:		
Expenses not deductible for tax purposes	23,848	29,407
Capital allowances in excess of depreciation	(75,060)	(39,128)
Lower tax rates on small company earnings	(14,202)	-
Current tax charge for period	269,103	205,334

The group earns its profits primarily in the UK, therefore the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 30%.

The group's planned level of capital investment is expected to remain at similar levels. Therefore, the company expects to be able to claim capital allowances in excess of depreciation in future years, at a similar level to the current year.

6 Dividends

	2002 £	2001 £
Interim dividend paid of 5p (2001: 5p) per 10p ordinary share	55,500	55,500
Final dividend proposed of 20p (2001: 10p) per 10p ordinary share	222,000	111,000
	277,500	166,500

7 Tangible fixed assets

Group

	Freehold investment properties £	Plant and machinery £	Office equipment and improvements £	Motor vehicles £	Total £
Cost or valuation					
1 April 2001	766,817	2,878,044	79,526	352,213	4,076,600
Additions	-	1,143,112	100,685	10,581	1,254,378
Disposals	-	(475,588)	(13,058)	(48,791)	(537,437)
31 March 2002	766,817	3,545,568	167,153	314,003	4,793,541
Depreciation					
1 April 2001	-	1,439,360	71,805	112,070	1,623,235
Charge for the year	-	493,501	7,560	81,965	583,026
Disposals	-	(368,554)	(13,058)	(48,791)	(430,403)
31 March 2002	-	1,564,307	66,307	145,244	1,775,858
Net book value					
1 April 2001	766,817	1,438,684	7,721	240,143	2,453,365
31 March 2002	766,817	1,981,261	100,846	168,759	3,017,683

The freehold investment properties are valued annually by Clive Jamieson and Mike Wellington, directors of the group, based on market conditions. There is no difference in the carrying value of the investment properties and the amount at which they would have been carried at on a historical cost basis.

7 Tangible fixed assets (continued)

Company	Office Equipment £	Motor Vehicles £	Total £
Cost			
1 April 2001	45,775	192,142	237,917
Additions	16,539	-	16,539
31 March 2002	62,314	192,142	254,456
Depreciation			
1 April 2001	38,127	50,002	88,129
Charge for the year	6,034	48,036	54,070
31 March 2002	44,161	98,038	142,199
Net book value			
1 April 2001	7,648	142,140	149,788
31 March 2002	18,153	94,104	112,257

8 Investments

	Shares in Listed Companies £
1 April 2001 and 31 March 2002	14,961

The market value of listed investments at 31 March 2002 was £67,847 (2001: £69,291)

9 Investment in subsidiary undertakings and joint venture

	2002 £	2001 £
Company - Investment in shares in subsidiary undertakings	6,500	6,500
Group - Investment in joint venture	5,000	5,000

The company's subsidiary undertakings are:

Name	Class of share	Percentage held	Nature of business
Subsidiary			
Spade Oak Construction Company Limited*	Ordinary	100%	Surfacing contracts
Spade Oak Duracourt Limited*	Ordinary	100%	Surfacing contracts
Joint Venture			
Sports Surfaces Technologies Limited	Ordinary	50%	Supplier of materials

All undertakings are registered in England and Wales, operate in England and are included in these consolidated accounts.

* held directly by Spade Oak Group Limited

50% of the share capital of Sports Surfaces Technologies Limited was acquired on 1 December 2000. The company's principal business is the supply of materials to the construction industry. The carrying value of the investment represents 50% of the issued share capital.

Based on the unaudited management accounts of Sports Surfaces Technologies Limited, the balance sheet as at 31 March 2002 and a summary profit and loss account for the year ended 31 March 2002 are shown below:

	2002 £
Balance sheet	
Current assets	15,222
Current liabilities	(4,684)
Net assets	10,538

9 Investment in subsidiary undertakings and joint venture (continued)

	2002
	£
Profit and loss account	
Turnover	13,122
Operating profit, being profit for the financial year	626
Tax	(88)
Profit after taxation	538

10 Stocks

	Group	
	2002	2001
	£	£
Consumables stores	79,428	73,368
Work in progress	105,702	96,715
	185,130	170,083

11 Debtors

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Amounts falling due within one year				
Trade debtors				
- Valuations	3,972,897	2,056,230	-	-
- Retentions	250,182	249,008	-	-
Amounts recoverable on contracts	28,024	312,826	-	-
Amounts owed by subsidiary undertakings	-	-	587,127	366,126
Other taxes and social security	5,927	7,194	5,927	7,194
Other debtors	23,793	21,976	1,282	1,232
Prepayments	73,402	68,901	33,256	40,644
	4,354,225	2,716,135	627,592	415,196
Amounts falling due after more than one year				
Deferred tax (note 13)	-	-	20,658	-
	4,354,225	2,716,135	648,250	415,196

12 **Creditors:** amounts falling due within one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Payments on account	1,597,972	924,298	-	-
Trade creditors	3,686,707	2,771,348	15,979	19,019
Amounts owed to Joint Venture	-	5,000	-	-
Corporation tax payable	176,472	205,334	21,132	9,074
Other taxes and social security	415,700	429,183	152,889	126,179
Other creditors	3,900	3,555	-	-
Accruals	331,158	395,317	81,093	53,663
Dividends payable	222,000	111,000	222,000	111,000
	6,433,909	4,845,035	493,093	318,935

13 Provisions for liabilities and charges

	Group 2002	Company 2002
	£	£
Deferred tax liability at 1 April 2001	88,543	-
Charged (credited) to profit and loss account	80,810	(20,658)
Deferred tax liability (asset) at 31 March 2002	169,353	(20,658)

The deferred taxation liability recognised in the group accounts is as follows:

	Provided		Potential	
	2002	2001	2002	2001
	£	£	£	£
Group				
Accelerated capital allowances	169,353	88,543	169,353	88,543

The deferred tax asset in the company, arising from the excess of book depreciation over tax allowances on fixed assets, is as follows:

Company				
Decelerated capital allowances	20,658	-	20,658	12,627

14 Called-up share capital

	2002 £	2001 £
Authorised		
1,500,000 ordinary shares of 10p each	150,000	150,000
Allotted, called-up and fully paid		
1,110,000 ordinary shares of 10p each	111,000	111,000

15 Reserves

Group	Share premium account £	Profit and loss account £
1 April 2001	42,100	2,555,004
Retained profit for the year	-	487,643
31 March 2002	42,100	3,042,647

The group profit and loss account is shown after writing off goodwill of £1,500 (2001: £1,500) in previous years.

Company	Share premium account £	Profit and loss account £
1 April 2001	42,100	116,247
Retained profit for the year	-	25,064
31 March 2002	42,100	141,311

16 Reconciliation of movements in group equity shareholders' funds

	2002 £	2001 £
Profit for the financial year	765,143	459,301
Dividends	(277,500)	(166,500)
Net addition to equity shareholders' funds	487,643	292,801
Opening equity shareholders' funds	2,708,104	2,415,303
Closing equity shareholders' funds	3,195,747	2,708,104

17 Reconciliation of operating profit to net cash inflow from operating activities

	2002 £	2001 £
Operating profit	1,039,780	662,096
Depreciation	583,026	507,203
Profit on disposal of fixed assets	(93,491)	(91,661)
Increase in stocks	(15,047)	(53,837)
Increase in debtors	(1,638,090)	(16,746)
Increase in creditors	1,511,736	726,332
Net cash inflow from operating activities	1,387,914	1,733,387

18 Analysis of cash flows

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	77,781	65,878
Interest paid	(2,803)	(916)
Investment income	298	343
Net cash inflow	75,276	65,305
Taxation		
UK corporation tax paid	(297,965)	(60,604)
Net cash outflow	(297,965)	(60,604)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,254,378)	(849,133)
Purchase of fixed asset investment	(5,000)	(11,114)
Sale of tangible fixed assets	200,525	113,539
Net cash outflow	(1,058,853)	(746,708)

19 Analysis and reconciliation of net funds

	1 April 2001 £	Cash flow £	31 March 2002 £
Cash at bank and in hand	2,282,138	(60,128)	2,222,010
Net funds	2,282,138	(60,128)	2,222,010

	2002 £	2001 £
(Decrease)/increase in cash in the year, being change in net funds resulting from cash flows	(60,128)	824,880
Net funds at 1 April	2,282,138	1,457,258
Net funds at 31 March	2,222,010	2,282,138

20 Financial commitments

Operating leases

	2002		2001	
Group	Land and buildings £	Other £	Land and buildings £	Other £
Expiry date:				
- within one year	-	11,130	-	12,723
- between one and five years	-	87,574	-	93,672
- after five years	75,000	-	87,996	-
	75,000	98,704	87,996	106,395

	Other	
Company	2002 £	2001 £
Expiry date:		
- between one and five years	5,295	5,295

21 Related party transactions

The group has an annual commitment under a non-cancellable operating lease for land and buildings as disclosed in note 20. This lease is for a twenty-five year term commencing 24 June 1987 with the Spade Oak Construction Company Limited Directors Pension Scheme. During the year the group paid an amount of £75,000 (2001: £70,465) under this lease.

The company leased a property to a director, Angela V. Wellington, during the prior year for a charge of £6,000.

The company has taken advantage of the exemption permitted by paragraph 3(a) of FRS8, Related Party Disclosures, and not disclosed transactions with group companies.

The above transactions were all undertaken on an arms length basis.