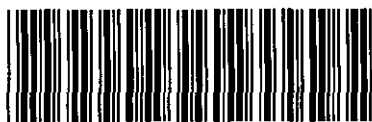

SHEPPY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2006

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SHEPPY LIMITED

COMPANY INFORMATION

DIRECTORS

F D Stevens (resigned 09/01/2006)
M J C Stevens
P C Stevens
C K Stevens
A J Moon (Non Executive Director)
W R Stevens (Non Executive Director) (appointed 07/12/2005)

SECRETARY

C Poynter

COMPANY NUMBER

01543842

REGISTERED OFFICE

Rushenden road
Queenborough
Kent
ME11 5HH

AUDITORS

Crossley & Co
Chartered Accountants & Registered Auditors
The Precinct
Cathedral Close
Rochester
Kent
ME1 1SZ

SHEPPY LIMITED

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SHEPPY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2006

The directors present their report and the financial statements for the year ended 31 May 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of manufacture of adhesives and fertiliser.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £116,276 (2005 - £91,447).

A dividend of £21,665 was paid during the year, the directors do not recommend payment of a final dividend.

SHEPPY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2006

DIRECTORS

The directors who served during the year and their interests in the company's issued share capital were:

	Ordinary shares of £1 each		Preference shares of £1 each	
	31/5/06	1/6/05	31/5/06	1/6/05
F D Stevens (resigned 09/01/2006)	-	-	-	-
M J C Stevens	-	-	-	-
P C Stevens	17,850	17,850	52,445	52,445
C K Stevens	14,722	14,722	21,705	21,705
A J Moon (Non Executive Director)	-	-	-	-
W R Stevens (Non Executive Director) (appointed 07/12/2005)	-	-	-	-

AUDITORS

The auditors, Crossley & Co, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 23rd November 2006 and signed on its behalf.


Secretary

SHEPPY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHEPPY LIMITED

We have audited the financial statements of Sheppy Limited for the year ended 31 May 2006 set out on pages 5 to 17. These financial statements have been prepared in accordance with 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company 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 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 judgments 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.

SHEPPY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SHEPPY LIMITED

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 May 2006 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 Directors' Report is consistent with the financial statements.

Crosley & Co.

Chartered Accountants
Registered Auditors

The Precinct
Cathedral Close
Rochester
Kent
ME1 1SZ

Date: *11th January 2007.*

SHEPPY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2006**

	Note	2006 £	2005 £
TURNOVER	1,2	199,446	233,417
Cost of sales		<u>(193,848)</u>	<u>(232,940)</u>
GROSS PROFIT		5,598	477
Administrative expenses		(154,521)	(170,414)
Other operating income	3	<u>85,451</u>	<u>81,035</u>
OPERATING LOSS	4	(63,472)	(88,902)
Income from investments in related companies		184,286	184,286
Interest payable	7	<u>(4,538)</u>	<u>(5,409)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		116,276	89,975
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	<u>-</u>	<u>1,472</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	16	<u><u>116,276</u></u>	<u><u>91,447</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account.

The notes on pages 8 to 17 form part of these financial statements.

SHEPPY LIMITED

**BALANCE SHEET
AS AT 31 MAY 2006**

	Note	2006 £	2005 £
FIXED ASSETS			
Tangible fixed assets	9	307,748	328,320
Fixed asset investments	10	914,896	914,896
		<u>1,222,644</u>	<u>1,243,216</u>
CURRENT ASSETS			
Stocks	11	29,333	22,828
Debtors	12	1,768,129	1,534,833
Cash in hand		55	62
		<u>1,797,517</u>	<u>1,557,723</u>
CREDITORS: amounts falling due within one year	13	<u>(1,588,330)</u>	<u>(1,455,102)</u>
NET CURRENT ASSETS		<u>209,187</u>	<u>102,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,431,831</u>	<u>1,345,837</u>
CREDITORS: amounts falling due after more than one year	14	<u>(59,938)</u>	<u>(68,555)</u>
NET ASSETS		<u><u>1,371,893</u></u>	<u><u>1,277,282</u></u>
CAPITAL AND RESERVES			
Called up share capital	15	575,109	575,109
Share premium account	16	544,321	544,321
Profit and loss account	16	252,463	157,852
SHAREHOLDERS' FUNDS	17	<u><u>1,371,893</u></u>	<u><u>1,277,282</u></u>

The notes on pages 8 to 17 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23rd November 2006

Director

The notes on pages 8 to 17 form part of these financial statements.

SHEPPY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2006**

	Note	2006 £	2005 £
Net cash flow from operating activities	19	(135,534)	(147,420)
Returns on investments and servicing of finance	20	179,748	178,877
Taxation		-	(12,778)
Capital expenditure and financial investment	20	5,000	-
Equity dividends paid		(21,665)	(21,665)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		27,549	(2,986)
Financing	20	(8,617)	(10,944)
INCREASE/(DECREASE) IN CASH IN THE YEAR		18,932	(13,930)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 31 MAY 2006**

	2006 £	2005 £
Increase/(Decrease) in cash in the year	18,932	(13,930)
Cash outflow from decrease in debt and lease financing	8,617	10,944
MOVEMENT IN NET DEBT IN THE YEAR	27,549	(2,986)
Net debt at 1 June 2005	(366,794)	(363,808)
NET DEBT AT 31 MAY 2006	(339,245)	(366,794)

The notes on pages 8 to 17 form part of these financial statements.

SHEPPY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.3 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	straight line over 50 years
Plant & Machinery	-	25% reducing balance
Motor Vehicles	-	25% reducing balance
Office Equipment	-	20% reducing balance

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

1. ACCOUNTING POLICIES (continued)

1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. TURNOVER

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2006 £	2005 £
Net rents receivable	103,046	95,310
Rent - Expenses	(17,595)	(14,275)
	<u>85,451</u>	<u>81,035</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	2006 £	2005 £
Depreciation of tangible fixed assets:		
- owned by the company	14,098	33,406
Auditors' remuneration	6,688	6,600
Difference on foreign exchange	-	110
	<u> </u>	<u> </u>

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2006 £	2005 £
Wages and salaries	108,234	120,704
Social security costs	12,746	16,708
Other pension costs	10,091	5,088
	<u>131,071</u>	<u>142,500</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2006 No.	2005 No.
Management	1	1
Laboratory	1	1
Factory	1	2
Adhesives	1	1
	<u>4</u>	<u>5</u>

6. DIRECTORS' REMUNERATION

	2006 £	2005 £
Emoluments	<u>65,838</u>	<u>76,847</u>
Company pension contributions to money purchase pension schemes	<u>10,000</u>	<u>5,000</u>

During the year retirement benefits were accruing to 1 director (2005 - 1) in respect of money purchase pension schemes.

7. INTEREST PAYABLE

	2006 £	2005 £
On bank loans and overdrafts	4,538	5,571
On finance leases and hire purchase contracts	-	(162)
	<u>4,538</u>	<u>5,409</u>

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

8. TAXATION

	2006 £	2005 £
Adjustments in respect of prior periods	-	(1,472)

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2005 - 19%).

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost					
At 1 June 2005	332,629	424,622	29,141	94,636	881,028
Disposals	-	(82,554)	(5,400)	(64,744)	(152,698)
At 31 May 2006	332,629	342,068	23,741	29,892	728,330
Depreciation					
At 1 June 2005	53,547	390,214	20,233	88,714	552,708
Charge for the year	3,327	7,376	2,227	1,168	14,098
On disposals	-	(76,093)	(5,400)	(64,731)	(146,224)
At 31 May 2006	56,874	321,497	17,060	25,151	420,582
Net book value					
At 31 May 2006	275,755	20,571	6,681	4,741	307,748
At 31 May 2005	279,082	34,408	8,908	5,922	328,320

SHEPPY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006

10. FIXED ASSET INVESTMENTS

	Shares in group under- takings £
Cost or valuation	
At 1 June 2005 and 31 May 2006	<u>914,896</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Stevens chemical Maure Company Limited (Dormant)	100%
Sheppy Services Limited	100%
Matahari 306 Limited (Dormant)	85.7%

The aggregate of the share capital and reserves as at 31 May 2006 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Stevens chemical Maure Company Limited (Dormant)	42,810	-
Sheppy Services Limited	918,965	54,023
Matahari 306 Limited (Dormant)	8,505	-
	<u>969,280</u>	<u>54,023</u>

11. STOCKS

	2006 £	2005 £
Finished goods and goods for resale	<u>29,333</u>	<u>22,828</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

12. DEBTORS

	2006 £	2005 £
Trade debtors	36,785	51,672
Amounts owed by group undertakings	1,693,071	1,449,175
Other debtors	2,288	-
Prepayments and accrued income	35,985	33,986
	<u>1,768,129</u>	<u>1,534,833</u>

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

13. CREDITORS:**Amounts falling due within one year**

	2006 £	2005 £
Bank loans and overdrafts	279,362	298,301
Trade creditors	51,421	60,483
Amounts owed to group undertakings	1,232,266	1,071,102
Social security and other taxes	4,423	7,612
Other creditors	3,000	2,096
Accruals and deferred income	17,858	15,508
	<u>1,588,330</u>	<u>1,455,102</u>

The bank overdraft is secured against investment properties held in Sheppy Industries Limited.

14. CREDITORS:**Amounts falling due after more than one year**

	2006 £	2005 £
Bank loans	59,938	68,555

Creditors include amounts not wholly repayable within 5 years as follows:

	2006 £	2005 £
Repayable by instalments	27,320	35,937

15. SHARE CAPITAL

	2006 £	2005 £
Authorised, allotted, called up and fully paid		
66,537 Ordinary shares of £1 each	66,537	66,537
2 Deferred shares of £1 each	2	2
508,570 Preference shares of £1 each	508,570	508,570
	<u>575,109</u>	<u>575,109</u>

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

15. SHARE CAPITAL (continued)

The cumulative preference shares have a dividend rate of 8.62% which is paid at the discretion of the Directors and before any dividend is declared on the Ordinary shares. Preference shareholders have no voting rights except if the preference dividends are in arrears by more than six months or if the resolution to be considered is to wind up or sell the Company or alter the objects or vary the rights of the preferential shareholders. There were no preference dividends in arrears. On liquidation, the preference shareholders have no right to share in the distribution of any assets other than the return of capital.

16. RESERVES

	Share premium account £	Profit and loss account £
At 1 June 2005	544,321	157,852
Profit retained for the year		116,276
Dividends: Equity capital		(21,665)
	<u>544,321</u>	<u>252,463</u>
At 31 May 2006		

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Opening shareholders' funds	1,277,282	1,207,500
Profit for the year	116,276	91,447
Dividends (Note)	(21,665)	(21,665)
	<u>1,371,893</u>	<u>1,277,282</u>
Closing shareholders' funds		

Analysis of shareholders' funds

Non-equity interests	508,570	508,570
Equity interests	863,323	768,712
	<u>1,371,893</u>	<u>1,277,282</u>

18. DIVIDENDS

	2006 £	2005 £
Dividends paid on equity capital	<u>21,665</u>	<u>21,665</u>

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating loss	(63,472)	(88,902)
Depreciation of tangible fixed assets	14,098	33,406
Loss on disposal of tangible fixed assets	1,474	-
(Increase)/decrease in stocks	(6,503)	2,893
Decrease in debtors	10,599	289,323
Increase in amounts owed by group undertakings	(243,896)	(129,245)
Decrease in creditors	(8,998)	(124,402)
Increase/(decrease) in amounts owed to group undertakings	161,164	(130,493)
Net cash outflow from operations	(135,534)	(147,420)

20. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest paid	(4,538)	(5,571)
Hire purchase interest	-	162
Income from investments in related companies	184,286	184,286
Net cash inflow from returns on investments and servicing of finance	179,748	178,877

	2006 £	2005 £
Capital expenditure and financial investment		
Sale of tangible fixed assets	5,000	-

	2006 £	2005 £
Financing		
Repayment of loans	(8,617)	(7,583)
Repayment of finance leases	-	(3,361)
Net cash outflow from financing	(8,617)	(10,944)

SHEPPY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2006**

21. ANALYSIS OF CHANGES IN NET DEBT

	1 June 2005 £	Cash flow £	Other non-cash changes £	31 May 2006 £
Cash at bank and in hand:	62	(7)	-	55
Bank overdraft	(290,146)	18,939	-	(271,207)
	<u>(290,084)</u>	<u>18,932</u>	<u>-</u>	<u>(271,152)</u>
Debt:				
Finance leases	-	-	-	-
Debts due within one year	(8,155)	8,617	(8,617)	(8,155)
Debts falling due after more than one year	(68,555)	-	8,617	(59,938)
	<u>(366,794)</u>	<u>27,549</u>	<u>-</u>	<u>(339,245)</u>
Net debt	<u>(366,794)</u>	<u>27,549</u>	<u>-</u>	<u>(339,245)</u>

22. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £88 (2004 - £86).

SHEPPY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2006

23. RELATED PARTY TRANSACTIONS

Sheppy Services Limited - a subsidiary

Funds were transferred from Sheppy Services Limited of £Nil (2005 - £100,900)
Expenses incurred by Sheppy Limited on behalf of Sheppy Services Limited of £750 (2005 - £10,988)
Receipts of £67,082 (2005 - £Nil) were received by Sheppy Limited on behalf of Sheppy Services Limited.

The Sheppy Services Limited bank account was closed and the balance of £7,948 was transferred to Sheppy Limited.

As at 31 May 2006 £959,103 (2005 - £884,823) was owed to Sheppy Services Limited.

Montash Properties Limited - a subsidiary

Expenses incurred by Sheppy Limited on behalf of Montash Properties Limited of £104,053 (2005 - £144,421)

Sheppy Industries loan of £189,871 (2005 - £15,176) was consolidated through Sheppy Limited.

As at 31 May 2006 £1,693,072 (2005 - £1,449,175) was due from Montash Properties Limited.

Sheppy Industries Limited - a subsidiary

Expenses incurred by Sheppy Limited on behalf of Sheppy Industries Limited of £59,840 (2005 - £114,656).

Expenses incurred by Sheppy Industries Limited on behalf of Sheppy Limited of £17,292 (2005 - £Nil)

A loan of £206,500 (2005 - £226,500) was made from Sheppy Industries Limited.

The Montash Properties Limited loan of £189,871 (2005 - £15,176) was consolidated through Sheppy Limited.

A dividend of £184,286 (2005 - £184,286) was paid to Sheppy Limited via Matahari 306 Limited the Parent company of sheppy Industries Limited.

The Sheppy Fertilisers Limited Executive Pension Fund Loan balance of £Nil (2005 - £133,751) was transferred to Sheppy Industries Limited.

As at 31 May 2006 £230,354 (2005 - £143,470) was due to Sheppy Industries Limited.

Matahari 306 Limited - a subsidiary

A dividend of £184,286 (2005 - £184,286) was received from Matahari 306 Limited, a subsidiary.

As at 31 May 2006, £Nil (2005 - £Nil) was due from Matahari 306 Ltd.

Stevens Chemical Manure Company - a subsidiary

There were no transactions with the subsidiary during the year.

As at 31 May 2006, £42,608 (2005 - £42,608) was due to Stevens Chemical Manure Company Ltd.