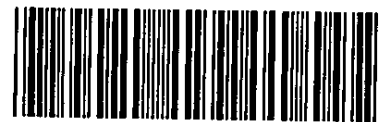


ERI LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2010**

(Company registration number 02202329)

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COMPANIES HOUSE



Clement Keys

CHARTERED ACCOUNTANTS

ERI LIMITED

FINANCIAL STATEMENTS for the year ended 31 May 2010

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ERI LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

S H Hayes
H S Hayes
S G Wain
R S Jones
T R Owen
D T J C Cloggie
P J Eady (appointed 11 June 2010)

Company secretary

K Wain

Registered Office

Number 7, Mill Pool
Nash Lane
Bebington
Stourbridge
West Midlands
DY9 9AF

Auditors

Clement Keys
Chartered Accountants
& Statutory Auditors
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

ERI LIMITED

DIRECTORS' REPORT for the year ended 31 May 2010

The directors present their annual report and the audited financial statements for the year ended 31 May 2010

PRINCIPAL ACTIVITY

The principal activity of the company continues to be the manufacture and installation of interior fixtures

BUSINESS REVIEW

Market demand and margin pressure has resulted in the company reporting marginally reduced annual sales of £11,932,836 (2009 £12,088,947) and an increased operating loss of £453,513 (2009 £241,012). However, during the final quarter of the financial year, the company experienced an increase in both enquiry levels and orders. The board are pleased to confirm that this pattern has continued in the months following the year end and it is for this reason that the board are confident that the year to 31 May 2011 will see the company reporting sales significantly ahead of 2009/2010 levels and returning to profitability.

RESULTS AND DIVIDENDS

The loss for the year after taxation amounted to £373,001 (2009 loss £154,487)

The company did not pay a dividend during the year (2009 £1,750,000)

SHARE CAPITAL

On 26 May 2010 the company increased the capitalisation of its balance sheet through the issue of 500,000 fully paid, 1% preference shares of £1 each to its parent company, Estrella Group Limited

PRINCIPAL RISKS AND UNCERTAINTIES

The company is, as previously reported, heavily reliant on the investment strategy of its retail customers. The company's existing customers and its new customers secured in 2009/2010 have shared their investment plans and programs for 2010/2011 and have indicated that the company will, once again, be recognised as a key supplier.

The company monitors cash flow as part of its ongoing operational and control procedures. The board is satisfied that the company has adequate bank facilities to fund both its existing operations and future expansion plans.

DIRECTORS

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

S H Hayes
H S Hayes
S G Wain
R S Jones
T R Owen
D T J C Cloggie

P J Eady was appointed on 11 June 2010

The interests of the directors in the share capital of the ultimate parent undertaking are shown in the financial statements of that company.

CHARITABLE DONATIONS

During the year, the company made charitable donations amounting to £325 (2009 £900)

KEY PERFORMANCE INDICATORS

The board and senior management meet on a regular basis to monitor turnover, gross and net profit performance, value added per productive hour and future capacity requirements.

ERI LIMITED

DIRECTORS' REPORT for the year ended 31 May 2010 (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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, as described on page 7 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Clement Keys will be put to the Annual General Meeting

This report was approved by the board on 14 December 2010 and signed on its behalf by



I R Owen
Director

REPORT OF THE INDEPENDENT AUDITORS to the members of ERI LIMITED

For the year ended 31 May 2010

We have audited the financial statements of ERI Limited for the year ended 31 May 2010, set out on pages 5 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

OPINION ON FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records or returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Duncan McNab FCA (Senior Statutory Auditor)

For and on behalf of
CLEMENT KEYS

Chartered Accountants
Statutory Auditors
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

14 December 2010

ERI LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 May 2010

	Note	2010 £	2009 £
TURNOVER	2	11,932,836	12 088,947
Cost of sales		(10,759,046)	(10,501,992)
GROSS PROFIT		1,173,790	1,586,955
Selling and distribution costs		(208,680)	(245,806)
Administrative expenses		(1,418,623)	(1,582,161)
OPERATING LOSS	3	(453,513)	(241,012)
Other interest receivable and similar income	6	22,896	124,914
Interest payable and similar charges	7	(78,445)	(113,571)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(509,062)	(229,669)
Tax on loss on ordinary activities	8	136,061	75 182
LOSS FOR THE FINANCIAL YEAR		(373,001)	(154,487)
Dividends	9	-	(1,750,000)
Balance brought forward		359,865	2 264,352
Balance carried forward		(13,136)	359,865

All turnover and operating results are derived from continuing activities

No statement of recognised gains and losses is given as all profits and losses are recognised above

The notes on pages 7 to 16 form part of these financial statements

ERI LIMITED
REGISTERED NUMBER 02202329

BALANCE SHEET as at 31 May 2010

		2010	2009
	Note	£	£
FIXED ASSETS			
Tangible assets	10	721,714	842,512
CURRENT ASSETS			
Stocks	11	1,505,157	1,130,216
Debtors - amounts falling due after more than one year	12	-	591,186
Debtors - amounts falling due within one year	13	4,743,346	4,516,277
		<u>6,248,503</u>	<u>6,237,679</u>
CREDITORS Amounts falling due within one year	14	<u>(5,751,548)</u>	<u>(5,881,469)</u>
Net current assets		496,955	356,210
CREDITORS Amounts falling due after more than one year	15	<u>(126,805)</u>	<u>(233,857)</u>
NET ASSETS		<u>1,091,864</u>	<u>964,865</u>
CAPITAL AND RESERVES			
Called up share capital	18	972,223	472,223
Share premium	19	2,777	2,777
Capital redemption reserve	19	130,000	130,000
Profit and loss account	19	(13,136)	359,865
SHAREHOLDERS' FUNDS	20	<u>1,091,864</u>	<u>964,865</u>

These financial statements were approved by the directors on 14 December 2010 and are signed on their behalf by


R S JONES
DIRECTOR


T R OWEN
DIRECTOR

The notes on pages 7 to 16 form part of these financial statements

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010

1 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of accounting

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

Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within a Group whose consolidated accounts are publicly available, is exempt from the requirements to draw up a cash flow statement in accordance with Financial Reporting Standard No 1

Turnover

Turnover is recognised, net of discounts and Value Added Tax, with reference to the delivery and installation of goods, as this is the point at which the significant risks and rewards of ownership of the goods and services have been transferred to the customer

Depreciation

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

Leasehold land and buildings	- term of lease
Plant and machinery	- 10% straight line per annum
Fixtures and fittings	- 10 to 50% straight line per annum
Motor vehicles	- 25% straight line per annum

Foreign currencies

Foreign currency transactions are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet. Assets held under hire purchase agreements are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shortest. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. In respect of work in progress and finished goods, cost includes all direct costs of production and the appropriate proportion of overheads

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting year

Deferred Taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences

Deferred tax assets are recognised to the extent that they are recoverable in the foreseeable future

Government Grants

Grants in respect of capital expenditure are treated as deferred income and written off to the profit and loss account over the estimated useful economic lives of the assets concerned. Grants in respect of revenue items are credited to the profit and loss account in the period in which they are received

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

2 TURNOVER

The turnover for the year is attributable to the company's principal activity. An analysis of turnover by geographical market is given below

	2010 £	2009 £
United Kingdom	11,223,433	11,355,939
Rest of Europe	686,004	673,833
Rest of World	23,399	59,175
	<u>11,932,836</u>	<u>12,088,947</u>

The directors consider that the company operates in one business segment

3 OPERATING LOSS

Operating loss is stated after charging/(crediting)

	2010 £	2009 £
Auditors' remuneration		
As auditors	11,250	13,000
Depreciation of owned fixed assets	113,405	132,216
Depreciation of fixed assets held under hire purchase and finance leases	40,851	40,851
Operating lease rentals		
Land and buildings	319,380	463,341
Plant and machinery	84,434	81,470
(Profit) on disposal of fixed assets	(163)	-
Loss/(profit) on foreign exchange transactions	1,719	(20,684)
	<u>-----</u>	<u>-----</u>

4 DIRECTORS' EMOLUMENTS

	2010 £	2009 £
Directors' emoluments	138,165	151,137
Pension contributions to money purchase pension schemes	6,452	6,432
	<u>144,617</u>	<u>157,569</u>
	<u>-----</u>	<u>-----</u>

Number of directors

Retirement benefits are accruing to the following number of directors under a Money Purchase Scheme

2	2
--	--

The total amount payable to the highest paid director in respect of emoluments and pension contributions was £74,379 (2009: £82,951) and £3,285 (2009: £3,264) respectively

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

5 STAFF NUMBERS AND COSTS

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	2010	2009
	Number of employees	
Management and administration	36	37
Production and distribution	74	88
	-----	-----
	110	125
	-----	-----

The aggregate payroll costs of these persons were as follows

	2010	2009
	£	£
Wages and salaries	2,519,769	2,913,073
Social security costs	235,155	281,177
Other pension costs	9,870	13,116
	-----	-----
	2,764,794	3,207,366
	-----	-----

6 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2010	2009
	£	£
Bank interest	-	343
Intra group loan account interest	22,896	124,461
Other interest	-	110
	-----	-----
	22,896	124,914
	-----	-----

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank loans and overdrafts	24,644	31,800
Other interest	39,205	61,437
Finance charges payable under finance lease and hire purchase contracts	14,596	20,334
	-----	-----
	78,445	113,571
	-----	-----

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

8 TAXATION

a) Analysis of credit for the year

	2010		2009	
	£	£	£	£
UK corporation tax				
Total current tax		(129,375)		(48,382)
Adjustment in respect of prior year		-		(15,061)
		<u>(129,375)</u>		<u>(63,443)</u>
Deferred tax				
Origination/reversal of timing differences	(6,686)		(9,294)	
Adjustment in respect of prior year	-		(2,445)	
	<u>-</u>		<u>(2,445)</u>	
Total deferred tax		(6,686)		(11,739)
Tax on loss on ordinary activities		<u>(136,061)</u>		<u>(75,182)</u>

b) Factors affecting current tax charge

The tax credit assessed on the loss on ordinary activities for the year is lower (2009 lower) than the effective standard rate of corporation tax in the UK for the year of 28% (2009 28%). The differences are reconciled below:

	2010	2009
	£	£
Loss on ordinary activities before tax	(509,062)	(229,669)
	<u>(509,062)</u>	<u>(229,669)</u>
Taxation at the effective standard rate of 28% (2009 28%)	(142,537)	(64,307)
Effects of:		
Depreciation in excess of capital allowances	9,486	9,294
Expenses not deductible for tax purposes	5,343	5,550
Decrease in general provisions	(2,800)	-
Depreciation on ineligible	1,133	1,082
Adjustment in respect of prior year	-	(15,061)
Rate differences and other	-	(1)
	<u>(129,375)</u>	<u>(63,443)</u>

c) Factors that may affect future tax charges

From 1 April 2011 the main rate of corporation tax is reducing to 27%

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

9 DIVIDENDS

	2010 £	2009 £
On ordinary shares		
Dividends paid	-	1,750,000

10 TANGIBLE FIXED ASSETS

	Short Leasehold property £	Plant, equipment, fixtures and fittings £	Total £
Cost			
At 1 June 2009	101,203	1,426,691	1,527,894
Additions	2,510	35,108	37,618
Disposals	-	(55,896)	(55,896)
At 31 May 2010	103,713	1,405,903	1,509,616
Depreciation			
At 1 June 2009	7,456	677,926	685,382
Charge for the year	4,048	150,208	154,256
Disposals	-	(51,736)	(51,736)
At 31 May 2010	11,504	776,398	787,902
Net book value			
At 31 May 2010	92,209	629,505	721,714
At 31 May 2009	93,747	748,765	842,512

Included in the total net book value of tangible fixed assets held at 31 May 2010 was £287,800 (2009 £328,651) in respect of assets held under finance leases and hire purchase contracts

11 STOCKS

	2010 £	2009 £
Raw materials and consumables	351,646	285,541
Work in progress	783,319	466,252
Finished goods and goods for resale	370,192	378,423
	1,505,157	1,130,216

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

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

12 DEBTORS - amounts falling due after more than one year

	2010 £	2009 £
Amount owed by parent undertaking	-	591,186

13 DEBTORS - amounts falling due within one year

	2010 £	2009 £
Trade debtors	2,756,851	3,083,631
Amount owed by parent undertaking	78,244	14,363
Amounts owed by group undertakings	1,017,415	559,120
Other debtors	2,372	2,370
Prepayments and accrued income	469,462	525,470
Corporation tax – group relief	129,375	
Deferred tax asset (see note 17)	289,627	331,323
	<u>4,743,346</u>	<u>4,516,277</u>

14 CREDITORS - Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	901,443	985,006
Trade creditors	2,075,850	2,142,553
Amount owed to parent undertaking	-	34,028
Amounts owed to group undertakings	58,412	44,961
Obligations under hire purchase and finance leases	81,545	75,807
Other taxes and social security	278,553	225,807
Other creditors	1,495,154	1,463,087
Accruals and deferred income	860,591	903,460
Corporation tax	-	6,760
	<u>5,751,548</u>	<u>5,881,469</u>

15 CREDITORS - Amounts falling due after more than one year

	2010 £	2009 £
Bank loans and overdrafts	-	19,506
Obligations under hire purchase and finance leases	86,805	168,351
Accruals and deferred income	40,000	46,000
	<u>126,805</u>	<u>233,857</u>

The bank loan of £500,000 received in July 2005 is repayable over five years by way of 60 equal monthly repayments of £9,827 including interest. The company calculates annual interest using the sum of digits method. The amount owing at 31 May 2010 amounted to £19,506 (2009: £132,432).

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

16 SECURED DEBTS

	2010 £	2009 £
The following secured debts are included within creditors		
Within amounts falling due within one year		
Bank loans and overdrafts	901,443	985,006
Obligations under hire purchase and finance leases	81,545	75,807
Other creditors	1,464,461	1 407 675
	<u>2,447,449</u>	<u>2,468 488</u>
Within amounts falling due after more than one year		
Bank loans and overdrafts	-	19,506
Obligations under hire purchase and finance leases	86,805	168,351
	<u>86,805</u>	<u>187,857</u>

Bank loans and overdrafts are secured by a fixed and floating charge over all assets both present and future

Obligations under hire purchase and finance leases are secured over the relevant assets

Other creditors are secured over book debts and related rights

17 PROVISION FOR DEFERRED TAXATION

	2010 £	2009 £
At beginning of year	(331,323)	(249 379)
Credit to profit and loss account	(136,061)	(57,676)
Intra group transfer	177,757	-
Adjustment in respect of prior year	-	(24 268)
	<u>(289,627)</u>	<u>(331,323)</u>

The elements of deferred taxation provided for at 28% (2009 28%) are as follows

Difference between accumulated depreciation and amortisation and capital allowances	41,396	50,882
Other timing differences	-	(2 800)
Tax losses	(331 023)	(379,405)
	<u>(289,627)</u>	<u>(331,323)</u>

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

18 SHARE CAPITAL

	2010 £	2009 £
Authorised		
Ordinary shares of £1 each	890,000	890,000
6% redeemable preference shares of £1 each	110,000	110,000
1% preference shares of £1 each	500,000	-
	<u>1,500,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid		
472,223 ordinary shares of £1 each	472,223	472,223
500,000 1% preference shares of £1 each	500,000	-
	<u>972,223</u>	<u>472,223</u>

On 26 May 2010 the company issued 500,000 1% preference shares of £1 each to its ultimate holding company, Estrella Group Limited. The shares are fully paid. The shares do not carry a right to vote. The holders of these shares are entitled to a preference dividend of 1% of the amount credited as paid up on the preference shares. Amounts credited as paid up on all issued preference shares, together with an amount equal to all arrears and accruals of any preference dividend will rank first in the event of a winding up.

19. RESERVES

	Share premium £	Capital redemption reserve £	Profit and loss account £
At 1 June 2009	2,777	130,000	359,865
Loss after taxation for the financial year	-	-	(373,001)
At 31 May 2010	<u>2,777</u>	<u>130,000</u>	<u>(13,136)</u>

20 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Loss after taxation for the financial year	(373,001)	(154,487)
Equity dividends	-	(1,750,000)
Preference shares issued during the year	500,000	-
Net increase/(decrease) in shareholders' funds	<u>126,999</u>	<u>(1,904,487)</u>
Opening shareholders' funds	964,865	2,869,352
Closing shareholders' funds	<u>1,091,864</u>	<u>964,865</u>
Represented by		
Equity shareholders' funds	591,864	964,865
Preference shareholders' funds	500,000	-
Total shareholders' funds	<u>1,091,864</u>	<u>964,865</u>

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

21 COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows

	2010		2009	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire				
Within one year	3,090	13,673	6,477	3,250
In the second to fifth years inclusive	-	31,786	-	74,117
Over five years	313,200	-	313,200	-
	<u>316,290</u>	<u>45,459</u>	<u>319,677</u>	<u>77,367</u>

22 COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS AND FINANCE LEASES

	2010 £	2009 £
Future commitments under hire purchase agreements and finance leases included within creditors are analysed as follows		
Amount payable within one year	81,545	75,807
Amounts payable within two to five years	86,805	168,351
	<u>168,350</u>	<u>244,158</u>

23 CAPITAL COMMITMENTS

	2010 £	2009 £
Capital commitments are as follows		
Contracted for but not provided for		
- hire purchase contracts entered into	25,000	-
- other	96,027	-
	<u>121,027</u>	<u>-</u>

24 PENSION SCHEME

The company operates a defined contribution scheme for certain of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge for the year was £9,870 (2009: £13,116) and included within other creditors is an amount of £695 (2009: £886).

ERI LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 May 2010 (continued)

25 RELATED PARTY DISCLOSURES

The following transactions have been carried out under arm's length commercial trading terms with other group companies

	2010 £	2009 £
CDM Shopfitting Limited		
Sales to CDM Shopfitting Limited	13,790	15,764
Purchases from CDM Shopfitting Limited	28,157	99,975
Recharge for accountancy and other services to CDM Shopfitting Limited	25,955	18,500
CDM Displays Limited		
Sales to CDM Displays Limited	14,139	21,800
Purchases from CDM Displays Limited	318,083	331,243
Recharge for accountancy and other services to CDM Displays Limited	13,504	14,004
Anglo ERI Limited		
Sales to Anglo ERI Limited	1,221,632	501,759
Purchases From Anglo ERI Limited	50,399	44,654
Intra group loan account interest received from Anglo ERI Limited	16,659	6,726
TJW Precision Engineering Limited		
Recharge for accountancy and other services to TJW Precision Engineering Limited	35,100	12,000
Other recharges to TJW Precision Engineering Limited	3,107	3,363
Intra group loan account interest received from TJW Precision Engineering Limited	1,035	1,451
Estrella Group Limited		
Management charges from Estrella Group Limited	132,487	312,280
Other recharges from Estrella Group Limited	82,125	103,209
Intra group loan account interest received from Estrella Group Limited	5,202	116,284
Sales to Estrella Group Limited	-	21,113
Dividend paid to Estrella Group Limited	-	1,750,000

At 31 May 2010 amounts owed by fellow group undertakings amounted to £1,017,415 (2009 £559,120) and amounts owed by the parent undertaking amounted to £78,244 (2009 £605,549). Amounts owed to fellow group undertakings amounted to £58,412 (2009 £44,961) and amounts owed to the parent undertaking were £nil (2009 £34,028).

26 CONTINGENT LIABILITY

The company is party to a number of composite guarantees whereby it has guaranteed the indebtedness of its parent company and a number of its fellow subsidiary companies. At 31 May 2010 the composite indebtedness towards which the company contributes was £4,925,125 (2009 £3,169,291).

27 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company is a subsidiary undertaking of Estrella Group Limited, incorporated in Great Britain. Copies of the financial statements of this entity are available from Number 7, Mill Pool, Nash Lane, Belbroughton, Stourbridge, West Midlands DY9 9AF. The directors consider the ultimate controlling party is Mr S H Hayes by virtue of his controlling shareholding in Estrella Group Limited.