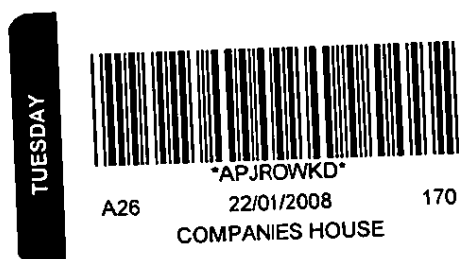


REGISTERED NUMBER: 02514415 (England and Wales)

**Abbreviated Accounts**  
**for the Year Ended 31<sup>st</sup> March 2007**  
**for**  
**PENTRE GROUP LIMITED**



**PENTRE GROUP LIMITED**

**Contents of the Abbreviated Accounts**  
**for the Year Ended 31st March 2007**

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**PENTRE GROUP LIMITED**

**Company Information**  
**for the Year Ended 31st March 2007**

**DIRECTORS:**

M F Seymour  
H W Platt  
A G Rogers

**SECRETARY:**

H W Platt

**REGISTERED OFFICE:**

Unit 2  
Moss Industrial Estate  
Leigh  
Lancashire  
WN7 3PF

**REGISTERED NUMBER**

02514415 (England and Wales)

**AUDITORS:**

Ford Campbell LLP  
City Wharf  
New Bailey Street  
Manchester  
M3 5ER

## **PENTRE GROUP LIMITED**

### **Report of the Directors** **for the Year Ended 31st March 2007**

The directors present their report with the accounts of the company for the year ended 31st March 2007

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture of cable reels and drums

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed accounts

2006/7 was Pentre's third full year since the MBO from Locker Group plc in March 2004. Good sales growth was achieved and the operating profit improved as a consequence.

Of particular note was the strong sales performance in large steel drums at the St Helens factory and the return to profitability of the process reel business, based in Liversedge and the Czech Republic where the benefits of a factory relocation and integration are now being realised.

Plastic products also enjoyed a better year following the relocation of the manufacturing unit from Wigan to Leigh in May 2005.

Packaging reels saw a disappointing profit performance particularly in the second half of the financial year as severe increases in the price of timber based raw materials, mainly plywood and softwood, impacted adversely on margins. This rising trend in material costs has continued and accelerated in the first quarter of 2007/8 and efforts to pass these increases onto customers through higher selling prices have met with only partial success.

During the year the company received the final £450,000 payment in respect of the sale of the Liversedge site and this completes our asset disposal programme.

Pentre Denmark is in the process of being liquidated following the progressive transfer of its activity to the Czech Republic over the past three years.

Strong cash generation and lower borrowings meant that the Group's finances were able to be reorganised in September 2006 with Nat West taking over as the principal funder through a combination of a conventional overdraft and a property mortgage. Invoice discounting with its attendant higher operating costs was eliminated and the group is trading comfortably within its new facilities.

In the first half of 2007/8 the company intends to purchase the Leigh factory currently occupied by its plastics products business from the Pentre Group SSAS for a valuation of circa £900,000.

As always the company's main asset is its human resource and the Board would like to thank each and every one of our people for their continued commitment and hard work during another challenging year.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31st March 2007.

#### **DIRECTORS**

The directors shown below have held office during the whole of the period from 1st April 2006 to the date of this report.

M F Seymour  
H W Platt  
A G Rogers

M F Seymour, H W Platt and A G Rogers are directors of the company's parent company, Pentre Holdings Limited.

#### **DISABLED EMPLOYEES**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

#### **EMPLOYEE CONSULTATION**

The company places considerable value on the involvement of its employees and has continued to keep informed on matters affecting them as employees and on the various factors affecting the performance of the company.

**PENTRE GROUP LIMITED**

**Report of the Directors**  
**for the Year Ended 31st March 2007**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Ford Campbell LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**



H W Platt - Secretary

Date

12<sup>TH</sup> JULY 07

**Report of the Independent Auditors to**  
**Pentre Group Limited**  
**Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages five to sixteen, together with the financial statements of Pentre Group Limited for the year ended 31st March 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

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

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

*Ford Campbell LLP*

Ford Campbell LLP  
City Wharf  
New Bailey Street  
Manchester  
M3 5ER

Date *12 July 2007*

**PENTRE GROUP LIMITED**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31st March 2007**

	Notes	31 3 07 £	31 3 06 £
<b>GROSS PROFIT</b>		6,341,533	5,338,349
Administrative expenses		5,334,290	4,951,717
<b>OPERATING PROFIT</b>	3	1,007,243	386,632
Profit on disposal of property	4	450,000	477,753
		1,457,243	864,385
Interest receivable and similar income		-	5,403
		1,457,243	869,788
Interest payable and similar charges	5	169,228	10,318
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,288,015	859,470
Tax on profit on ordinary activities	6	246,933	134,633
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		1,041,082	724,837

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these abbreviated accounts

**PENTRE GROUP LIMITED**

**Statement of Total Recognised Gains and Losses**  
**for the Year Ended 31st March 2007**

	31 3 07	31 3 06
	£	£
<b>PROFIT FOR THE FINANCIAL YEAR</b>	1,041,082	724,837
Revaluation in the year	277,351	-
	<hr/>	<hr/>
<b>TOTAL RECOGNISED GAINS AND LOSSES</b>		
<b>RELATING TO THE YEAR</b>	1,318,433	724,837
	<hr/>	<hr/>

**Note of Historical Cost Profits and Losses**  
**for the Year Ended 31st March 2007**

	31 3 07	31 3 06
	£	£
<b>REPORTED PROFIT</b>		
<b>ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	1,288,015	859,470
Transfer from revaluation reserve	12,793	7,394
	<hr/>	<hr/>
<b>HISTORICAL COST PROFIT</b>		
<b>ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	1,300,808	866,864
	<hr/>	<hr/>
<b>HISTORICAL COST PROFIT</b>		
<b>FOR THE YEAR RETAINED AFTER TAXATION</b>	1,053,875	732,231
	<hr/>	<hr/>

The notes form part of these abbreviated accounts



**PENTRE GROUP LIMITED**

**Abbreviated Balance Sheet**  
**31st March 2007**

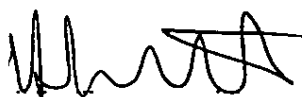
		31 3 07	31 3 06
	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	7	-	-
Tangible assets	8	3,327,578	2,801,068
Investments	9	1,259,852	1,259,852
		<u>4,587,430</u>	<u>4,060,920</u>
<b>CURRENT ASSETS</b>			
Stocks	10	1,473,845	1,539,773
Debtors	11	7,256,403	6,189,374
Cash at bank and in hand		619,680	545,802
		<u>9,349,928</u>	<u>8,274,949</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	7,054,754	7,431,656
<b>NET CURRENT ASSETS</b>		<u>2,295,174</u>	<u>843,293</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>6,882,604</u>	<u>4,904,213</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	1,531,190	871,232
<b>NET ASSETS</b>		<u>5,351,414</u>	<u>4,032,981</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	2,926,581	2,926,581
Share premium	18	1,212,190	1,212,190
Revaluation reserve	18	626,837	362,279
Profit and loss account	18	585,806	(468,069)
<b>SHAREHOLDERS' FUNDS</b>	21	<u>5,351,414</u>	<u>4,032,981</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

The financial statements were approved by the Board of Directors on its behalf by

12<sup>th</sup> JULY 07

and were signed on



H W Platt - Director



M F Seymour - Director

The notes form part of these abbreviated accounts

## **PENTRE GROUP LIMITED**

### **Notes to the Abbreviated Accounts** **for the Year Ended 31st March 2007**

#### **1 ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets

##### **Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax. Revenue is recognised at the point of dispatch.

##### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of businesses, was written off in the year of acquisition.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Short leasehold	- Equally over the length of the lease
Long leasehold	- 2% on cost/valuation
Plant and machinery	- Straight line over 4 to 10 years

##### **Stocks**

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

##### **Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts 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 shorter.

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.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

##### **Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

##### **Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company is wholly owned within a group and consolidated accounts which include this company's results are publicly available.

##### **Fixed asset investments**

Investments in subsidiary undertakings are stated at cost less amounts written off. Provisions are made for impairment.

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**1 ACCOUNTING POLICIES - continued**

**Consolidation**

Exemption has been taken from preparing consolidated accounts on the grounds that the company is wholly owned within a group and consolidated accounts which include the company's results are publicly available

**2 STAFF COSTS**

	31 3 07	31 3 06
	£	£
Wages and salaries	4,276,549	3,741,617
Social security costs	362,200	350,043
Other pension costs	154,989	29,866
	<u>4,793,738</u>	<u>4,121,526</u>

The average monthly number of employees during the year was as follows

	31 3 07	31 3 06
Manual	194	198
Clerical and technical	46	41
	<u>240</u>	<u>239</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	31 3 07	31 3 06
	£	£
Other operating leases	-	140
Depreciation - owned assets	296,380	238,815
Profit on disposal of fixed assets	(1,350)	(92,361)
Auditors' remuneration	20,028	-
Auditors remuneration in respect of tax fees	13,000	-
Operating lease charges- buildings	206,683	206,683
Amounts written back relating to intercompany debt	-	(791,482)
	<u>263,661</u>	<u>-</u>
Directors' emoluments	263,661	-
Directors' pension contributions to money purchase schemes	33,350	-
	<u>33,350</u>	<u>-</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

During the prior year the company wrote back an amount due to Locker Wire Weavers Limited, a former fellow subsidiary, resulting in a £791,482 credit to the profit and loss account

Information regarding the highest paid director for the year ended 31st March 2007 is as follows

	31 3 07
	£
Emoluments etc	89,211
Pension contributions to money purchase schemes	<u>10,000</u>

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**4 EXCEPTIONAL ITEMS**

During the year the company disposed of land at Liversedge achieving a profit on disposal of £450,000

During the prior year the company disposed of its Wigan premises and land incurred a profit on disposal of £477,753

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	31 3 07	31 3 06
	£	£
Bank interest	120,992	-
Factoring interest	39,335	-
Hire purchase	8,901	10,318
	<u>169,228</u>	<u>10,318</u>

**6 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	31 3 07	31 3 06
	£	£
Deferred tax	246,933	134,633
Tax on profit on ordinary activities	<u>246,933</u>	<u>134,633</u>

**Factors affecting the tax charge**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 07	31 3 06
	£	£
Profit on ordinary activities before tax	<u>1,288,015</u>	<u>859,470</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	386,405	257,841
Effects of		
Non taxable credits	(135,405)	(237,445)
Unrelieved tax losses carried forward	-	136,601
Capital allowances in excess of depreciation	(80,611)	(278,387)
Expenses not deductible for tax purposes	9,000	6,000
Losses surrendered to other group undertakings	-	115,390
Losses utilised	<u>(179,389)</u>	<u>-</u>
Current tax charge	<u>-</u>	<u>-</u>

At 31st March 2007 there were unrelieved tax losses of £1,186,510 (2006 £1,836,468) which have been recognised as a deferred tax asset at 28% reduced by accelerated capital allowances of £114,788 (2006 decelerated capital allowances of £86,572)

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued  
for the Year Ended 31st March 2007**

**7 INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1st April 2006 and 31st March 2007	2,025,104
<b>AMORTISATION</b>	
At 1st April 2006 and 31st March 2007	2,025,104
<b>NET BOOK VALUE</b>	
At 31st March 2007	-
At 31st March 2006	-

**8 TANGIBLE FIXED ASSETS**

	Short leasehold £	Long leasehold £	Plant and machinery £	Totals £
<b>COST OR VALUATION</b>				
At 1st April 2006	304,607	1,699,329	10,594,283	12,598,219
Additions	-	16,350	539,189	555,539
Disposals	-	-	(31,928)	(31,928)
Revaluations	-	277,351	-	277,351
Written off in the period	(304,607)	(28,651)	(6,748,704)	(7,081,962)
At 31st March 2007	-	1,964,379	4,352,840	6,317,219
<b>DEPRECIATION</b>				
At 1st April 2006	304,607	42,520	9,450,024	9,797,151
Charge for year	-	37,612	258,768	296,380
Eliminated on disposal	-	-	(21,928)	(21,928)
Written off in the period	(304,607)	(28,651)	(6,748,704)	(7,081,962)
At 31st March 2007	-	51,481	2,938,160	2,989,641
<b>NET BOOK VALUE</b>				
At 31st March 2007	-	1,912,898	1,414,680	3,327,578
At 31st March 2006	-	1,656,809	1,144,259	2,801,068

Included in cost or valuation of land and buildings is freehold land of £640,000 (2006 - £640,000) which is not depreciated

Cost or valuation at 31st March 2007 is represented by

	Long leasehold £	Plant and machinery £	Totals £
Valuation in 2007	1,700,000	-	1,700,000
Cost	264,379	4,352,840	4,617,219
	1,964,379	4,352,840	6,317,219

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**8 TANGIBLE FIXED ASSETS - continued**

If long leasehold property had not been revalued it would have been included at the following historical cost

	31 3 07	31 3 06
	£	£
Cost	1,460,397	1,410,984
	<u>          </u>	<u>          </u>
Aggregate depreciation	210,624	188,672
	<u>          </u>	<u>          </u>

Long leasehold property was valued on an open market basis on 10th October 2006 by CB Richard Ellis Chartered Surveyors

The net book value of plant & machinery includes an amount of £191,121 (2006 £346,641) in respect of assets held under hire purchase contracts. The depreciation charged in the period was £24,070 (2006 £40,005)

**9 FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
At 1st April 2006 and 31st March 2007	6,989,852
<b>PROVISIONS</b>	
At 1st April 2006 and 31st March 2007	5,730,000
<b>NET BOOK VALUE</b>	
At 31st March 2007	1,259,852
At 31st March 2006	1,259,852

The company's investments at the balance sheet date in the share capital of companies include the following

**Pentre Overseas Holdings Limited**

Nature of business Holding company

	%
Class of shares	holding
Ordinary	100 00

**Pentre Properties Limited**

Nature of business Property investment

	%
Class of shares	holding
Ordinary	100 00

**Pentre Group Heas A/S**

Country of incorporation Denmark

Nature of business Steel reel and drum manufacturer

	%
Class of shares	holding
Ordinary	100 00

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**9 FIXED ASSET INVESTMENTS - continued**

**Pentre Kovotechnik Spol. s.r.o**

Country of incorporation Czech Republic

Nature of business Steel reel manufacturer

	%
Class of shares	holding
Ordinary	100 00

**Pentre Deutschland GmbH**

Country of incorporation Germany

Nature of business Steel reel manufacturer

	%
Class of shares	holding
Ordinary	100 00

The shares in Pentre Group Heas A/S, Pentre Kovotechnik Spol. s.r.o. and Pentre Deutschland GmbH are held by a subsidiary undertaking and represent 100% of the issued share capital

**10 STOCKS**

	31 3 07	31 3 06
	£	£
Raw materials	615,875	808,706
Work-in-progress	472,226	383,317
Finished goods	385,744	347,750
	<u>1,473,845</u>	<u>1,539,773</u>

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 07	31 3 06
	£	£
Trade debtors	5,426,092	4,921,751
Amounts owed by group undertakings	1,411,503	554,735
Other debtors	46,300	-
Amounts owed by related undertakings	28	5,395
Deferred tax (see note 7)	217,435	464,368
Prepayments and accrued income	155,045	243,125
	<u>7,256,403</u>	<u>6,189,374</u>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 07	31 3 06
	£	£
Bank loans and overdrafts (see note 14)	1,355,111	287,587
Other loans (see note 14)	-	2,655,357
Hire purchase contracts (see note 15)	39,057	111,891
Trade creditors	2,663,199	2,568,494
Amounts owed to group undertakings	2,184,002	1,101,809
Social security and other taxes	163,180	234,080
Accruals and deferred income	650,205	472,438
	<u>7,054,754</u>	<u>7,431,656</u>

**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31 3 07	31 3 06
	£	£
Bank loans (see note 14)	1,515,163	806,798
Hire purchase contracts (see note 15)	16,027	64,434
	<u>1,531,190</u>	<u>871,232</u>

**14 LOANS**

An analysis of the maturity of loans is given below

	31 3 07	31 3 06
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	1,201,127	-
Bank loans	153,984	287,587
Other loans	-	2,655,357
	<u>1,355,111</u>	<u>2,942,944</u>
 Amounts falling due between one and two years		
Bank loans	<u>153,984</u>	<u>113,510</u>
 Amounts falling due between two and five years		
Bank loans	<u>409,587</u>	<u>402,191</u>
 Amounts falling due in more than five years		
Repayable by instalments		
Bank loans	<u>951,592</u>	<u>291,097</u>

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES**

	31 3 07	31 3 06
	£	£
Net obligations repayable		
Within one year	39,057	111,891
Between one and five years	16,027	64,434
	<u>55,084</u>	<u>176,325</u>



**PENTRE GROUP LIMITED**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31st March 2007**

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued**

The following operating lease payments are committed to be paid within one year

		Land and buildings
	31 3 07 £	31 3 06 £
Expiring		
Within one year	20,500	-
Between one and five years	186,183	190,500
In more than five years	-	16,183
	<u>206,683</u>	<u>206,683</u>

**16 SECURED DEBTS**

The following secured debts are included within creditors

	31 3 07 £	31 3 06 £
Bank overdraft	1,201,127	-
Bank loans	1,669,147	-
Other loans	-	2,655,357
Hire purchase	55,084	176,325
	<u>2,925,358</u>	<u>2,831,682</u>

The bank loans and overdrafts are secured by a debenture incorporating a fixed and floating charge over all assets of the company and a legal charge over the property at Leigh

Other loans were secured by a fixed and floating charge over all assets of the company

The hire purchase liabilities are secured on the assets to which they relate

**17 CALLED UP SHARE CAPITAL**

Authorised Number	Class	Nominal value	31 3 07 £	31 3 06 £
4,601,481	Ordinary	£1	<u>4,601,481</u>	<u>4,601,481</u>
Allotted, issued and fully paid Number	Class	Nominal value	31 3 07 £	31 3 06 £
2,926,581	Ordinary	£1	<u>2,926,581</u>	<u>2,926,581</u>

# **PENTRE GROUP LIMITED**

## **Notes to the Abbreviated Accounts - continued** **for the Year Ended 31st March 2007**

### **18 RESERVES**

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1st April 2006	(468,069)	1,212,190	362,279	1,106,400
Profit for the year	1,041,082			1,041,082
Revaluation in year	-	-	277,351	277,351
Transfer from revaluation reserve	12,793	-	(12,793)	-
At 31st March 2007	<u>585,806</u>	<u>1,212,190</u>	<u>626,837</u>	<u>2,424,833</u>

### **19 ULTIMATE PARENT COMPANY**

The company's parent undertaking and controlling party is Pentre Holdings Limited, a company registered in England and Wales. Pentre Holdings Limited is controlled by its board of directors.

Copies of the consolidated financial statements for Pentre Holdings Limited, this being the largest group of which the company is a member, can be obtained from the Company Secretary, Pentre Holdings Limited, Unit 2, Moss Industrial Estate, St Helens Road, Leigh, Lancashire WN7 3PF.

### **20 CONTINGENT LIABILITIES**

There is an unlimited inter-company guarantee dated 18 February 2004 between Pentre Holdings Limited, Pentre Group Limited, Locker Wire Weavers Limited, Pentre Engineering Limited, Pentre Properties Limited and Pentre Overseas Holdings Limited amounting to £2,034,045 (2006 £848,475).

### **21 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	31 3 07 £	31 3 06 £
Profit for the financial year	1,041,082	724,837
Other recognised gains and losses relating to the year (net)	<u>277,351</u>	<u>-</u>
<b>Net addition to shareholders' funds</b>	<b>1,318,433</b>	<b>724,837</b>
Opening shareholders' funds	<u>4,032,981</u>	<u>3,308,144</u>
<b>Closing shareholders' funds</b>	<b><u>5,351,414</u></b>	<b><u>4,032,981</u></b>