

**ROODHILL LEASING LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2010**



**Registered office: 1 Balloon Street, Manchester, M60 4EP**  
**Registered number: 2776185**

# **ROODHILL LEASING LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 December 2010

### **BUSINESS REVIEW**

#### **TRADING AND PRINCIPAL ACTIVITIES**

The principal activity of Roodhill Leasing Limited (the Company) is the provision of finance through the leasing of capital equipment and assets

The profit for the financial year, after tax, amounted to £38,640 (2009 £24,311) Net assets at the balance sheet date amounted to £968,987 (2009 £930,347) New equipment leased during the year was £nil (2009 £nil)

The Company leased capital equipment and assets to private companies and public sector organisations under finance leases for periods of up to 25 years, however, all leases have now expired and none continue to exist at the balance sheet date.

#### **FUTURE OUTLOOK**

The Company is expected to operate in the manner in which it does at present

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties of the Company are integrated with the principal risks of the Co-operative Financial Services Limited group (CFS Group) and are not managed separately Further details are provided within the annual report of the CFS Group

Risks specific to the Company are disclosed in the risk management section on page 14

#### **KEY PERFORMANCE INDICATORS**

The development, performance and position of the CFS Group, which includes this Company, are discussed in the group's annual report which does not form part of this report

### **GOING CONCERN**

The directors have considered the Company's business activities together with its financial position and the factors likely to affect its future development and performance.

Consequently, after making enquiries, the directors are satisfied that the Company has sufficient resources to continue in business for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements

### **CHANGE IN ACCOUNTING REFERENCE DATE**

The Company changed its accounting reference date in 2009 to 31 December Where these financial statements refer to the 'year ended 31 December 2010' this represents the 52 week period from 1 January 2010 to 31 December 2010. The 2009 comparatives are stated for the 51 week period from 11 January to 31 December 2009

### **DIVIDEND**

The directors do not recommend the payment of a dividend (2009 £nil)

# **ROODHILL LEASING LIMITED**

## **DIRECTORS' REPORT (continued)**

### **DIRECTORS**

The directors of the Company during the year were

K Alderson	Chair
R T Goddard	(resigned 31 March 2011)
W E Newby	(appointed 10 November 2010)
C J Mack	(appointed 31 March 2011)

No director received any emoluments directly from the Company during the year (2009 £nil)

### **FINANCIAL STATEMENTS**

So far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and the directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

A statement by the directors as to their responsibilities for preparing the financial statements is included in the statement of directors' responsibilities on page 3

### **SUPPLIER PAYMENT POLICY AND PRACTICE**

All supplies and services are sourced through a group service company. A management charge is payable to cover the costs of these services

### **CHARITABLE AND POLITICAL DONATIONS**

The Company made no charitable or political donations during the year (2009 £nil)  
Charitable donations are made by The Co-operative Bank plc and CFS Management Services Limited on behalf of the CFS Group

### **SUBSEQUENT EVENTS**

No significant events have occurred since the conclusion of the financial year

### **AUDITOR**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the Board



Kathrine Bancroft  
Secretary  
15 June 2011

## **ROODHILL LEASING LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU 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 and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROODHILL LEASING LIMITED**

We have audited the financial statements of Roodhill Leasing Limited (the Company) for the year ended 31 December 2010 set out on pages 6 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the statement of directors' responsibilities set out on page 3, 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, and express an opinion on, 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 (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **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 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

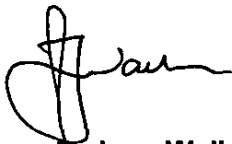
In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROODHILL LEASING LIMITED (continued)**

### **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 and 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



**Andrew Walker (Senior Statutory Auditor)**  
**for and on behalf of KPMG Audit Plc, Statutory Auditor**  
***Chartered Accountants***

KPMG Audit Plc  
St James Square  
Manchester  
M2 6DS

15 June 2011

## ROODHILL LEASING LIMITED

### INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
Finance lease income		15,626	2,490
Interest income		38,041	37,040
<b>Gross profit</b>		<b>53,667</b>	<b>39,530</b>
Administrative expenses	1	-	(5,765)
<b>Profit before tax</b>		<b>53,667</b>	<b>33,765</b>
Income tax	2	(15,027)	(9,454)
<b>Profit for the financial year</b>		<b>38,640</b>	<b>24,311</b>

Profit for the financial year is attributable to the equity holders of the Company

The notes on pages 11 to 19 form part of these financial statements

## **ROODHILL LEASING LIMITED**

### **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>38,640</b>	24,311
Other comprehensive income for the financial year, net of income tax	-	-
<b>Total comprehensive income for the financial year</b>	<b><u>38,640</u></b>	<b><u>24,311</u></b>

Total comprehensive income is attributable to the equity holders of the Company

The notes on pages 11 to 19 form part of these financial statements



# ROODHILL LEASING LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2010

	Notes	2010 £	2009 £
<b>ASSETS</b>			
Cash and cash equivalents	3	3,886,600	3,872,174
Income tax	2	107,444	-
Deferred tax	2	-	122,471
<b>Total assets</b>		<b>3,994,044</b>	<b>3,994,645</b>
<b>LIABILITIES</b>			
Trade and other payables	4	2,669	29,763
Income tax	2	-	5,382
Amounts due to parent undertaking	5	3,022,388	3,029,153
<b>Total liabilities</b>		<b>3,025,057</b>	<b>3,064,298</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	6	2	2
Retained earnings		968,985	930,345
<b>Total equity</b>		<b>968,987</b>	<b>930,347</b>
<b>Total liabilities and equity</b>		<b>3,994,044</b>	<b>3,994,645</b>

The notes on pages 11 to 19 form part of these financial statements

Approved by the Board of directors on 15 June 2011 and signed on its behalf by



W E Newby  
Director

# ROODHILL LEASING LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 £	2009 £
<b>Cash flows from operating activities</b>			
Profit before tax		53,667	33,765
Decrease in finance lease receivables		-	95,637
(Decrease)/increase in trade and other payables		(27,094)	17,967
Decrease in amounts due to parent undertaking		(6,765)	(5,080)
Income tax paid	2	(5,382)	(26,130)
<b>Net increase in cash and cash equivalents</b>		<b>14,426</b>	<b>116,159</b>
Cash and cash equivalents at the beginning of the financial year		3,872,174	3,756,015
<b>Cash and cash equivalents at the end of the financial year</b>	3	<b>3,886,600</b>	<b>3,872,174</b>

The notes on pages 11 to 19 form part of these financial statements

## **ROODHILL LEASING LIMITED**

### **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010**

	<b>Share capital £</b>	<b>Retained earnings £</b>	<b>Total £</b>
<b>2010</b>			
Balance at the beginning of the financial year	<b>2</b>	<b>930,345</b>	<b>930,347</b>
Total comprehensive income for the financial year	<b>-</b>	<b>38,640</b>	<b>38,640</b>
Balance at the end of the financial year	<b>2</b>	<b>968,985</b>	<b>968,987</b>
<b>2009</b>			
Balance at the beginning of the financial year	<b>2</b>	<b>906,034</b>	<b>906,036</b>
Total comprehensive income for the financial year	<b>-</b>	<b>24,311</b>	<b>24,311</b>
Balance at the end of the financial year	<b>2</b>	<b>930,345</b>	<b>930,347</b>

The notes on pages 11 to 19 form part of these financial statements

# **ROODHILL LEASING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010**

### **BASIS OF PREPARATION**

Roodhill Leasing Limited is a limited liability company, incorporated in Great Britain and registered in England and Wales

### **ACCOUNTING DATE**

The Company changed its accounting reference date in 2009 to 31 December. Where these financial statements refer to the 'year ended 31 December 2010' this represents the 52 week period from 1 January 2010 to 31 December 2010. The 2009 comparatives are stated for the 51 week period from 11 January to 31 December 2009.

The financial information has been prepared on the basis of International Financial Reporting Standards (IFRSs) in issue that are endorsed by the European Union (EU) and effective at 31 December 2010.

### **STANDARDS AND INTERPRETATIONS ISSUED AND EFFECTIVE**

In preparing these financial statements, the Company has adopted the following standards and interpretations that are new or revised and became effective during the year:

- Amendments to IAS 17 (Leases)

These amendments concern the classification and reclassification of leases of land and property.

The adoption of this standard has not had a material impact on the Company's financial statements.

### **STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE**

The following amendments, standards and interpretations which have been issued but are not yet effective are considered relevant to the Company's operations:

- IFRS 9 (Financial Instruments - Classification and Measurement)

The objective of this new standard is to gradually phase out IAS 39 Financial Instruments - Recognition and Measurement. Phase one of this process specifically requires financial assets to be classified as at amortised cost or at fair value.

IFRS 9 is effective for accounting years beginning on or after 1 January 2013. Early adoption is permitted, once endorsed by the EU. The impact of IFRS 9 is currently being assessed.

## **ROODHILL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)**

The following amendments, standards and interpretations which have been issued but are not yet effective are not considered relevant to the Company's operations

- Amendments to IFRS 1 (First time Adoption of International Financial Reporting Standards)
- Amendment to IAS 24 Related Party Disclosures
- Amendments to IAS 32 Financial Instruments Presentation
- Amendment to IFRIC 14 Prepayments of a Minimum Funding Requirement
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

#### **GOING CONCERN**

The directors have considered the Company's business activities together with its financial position and the factors likely to affect its future development and performance

Consequently, after making enquiries, the directors are satisfied that the Company has sufficient resources to continue in business for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) FINANCE LEASES**

Leases where the Company transfers substantially all the risks and rewards of ownership are classified as finance leases and are included within finance lease receivables. Assets leased to customers are deemed to be finance leases and are valued at an amount equal to the net investment in the lease, less any provisions for impairment.

Income from assets leased to customers and instalment credit agreements is credited to the income statement based on a pattern reflecting a constant periodic rate of the net investment in the lease. Initial direct costs incurred in arranging the lease are included in the initial measurement of the finance lease receivable and are recognised over the lease term.

The Company leased capital equipment and assets to private companies and public sector organisations under finance leases for periods up to 25 years, however, all leases have now expired and none continue to exist at the balance sheet date.

# **ROODHILL LEASING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

### **SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(a) FINANCE LEASES (continued)**

##### *Impairment*

Impairment is assessed individually for financial assets that are individually significant and collectively for assets that are not individually significant

Individual impairment is identified at a counterparty specific level following objective evidence that a financial asset is impaired. This may be after a principal payment is missed

The recoverable amount of finance lease receivables carried at amortised cost is calculated as the present value of future cash flows, discounted at the original effective interest rate in the lease

If impaired the carrying value is adjusted and the difference charged to the income statement

The reversal of an impairment loss for an asset is recognised immediately in the income statement. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

#### **(b) INTEREST INCOME**

Interest income is recognised on an effective interest rate (EIR) basis, inclusive of directly attributable incremental transaction costs and fees, and discounts and premiums where appropriate. The EIR spreads the interest income over the expected life of the instrument. The EIR is the rate that, at inception, exactly discounts expected future cash payments and receipts through the expected life of the instrument to the initial carrying amount. When calculating the EIR, the Company estimates cash flows considering all contractual terms of the instrument (for example, prepayment options), but does not consider future credit losses

#### **(c) INCOME TAX**

Tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent it relates to items recognised directly as other comprehensive income, in which case it is recognised in the statement of comprehensive income

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

## **ROODHILL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) INCOME TAX (continued)**

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be released or realised.

**(d) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprises cash balances and balances with a maturity date of three months or less from the acquisition date, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(e) OTHER FINANCIAL ASSETS AND LIABILITIES**

Other financial assets and liabilities are recognised on an amortised cost basis.

#### **CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES**

As a result of having no finance lease contracts in existence at the balance sheet date, the Company makes no critical accounting estimates or assumptions that affect the reported assets and liabilities.

#### **RISK MANAGEMENT**

##### **FINANCIAL RISK**

The Company is not exposed to any significant risks from its financial assets and liabilities. The Company takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cashflows. Interest income may decrease as a result of such changes.

## **ROODHILL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **CAPITAL MANAGEMENT**

The Company's primary objective in respect of capital management is to ensure that it has sufficient capital now and in the future to support the risks in the business

The Company is not subject to externally imposed capital requirements in either the current or prior year, other than the minimum share capital required by the Companies Act with which it complies. The Company manages its ordinary share capital in order that there is sufficient capital, in the opinion of the directors, to support the transactions and level of business undertaken by the Company

#### **FAIR VALUES**

No fair value assumptions are made in the valuation of assets and liabilities in the financial statements. All financial assets and liabilities are held at amortised cost. Fair value equates to carrying value.



## ROODHILL LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

#### 1. ADMINISTRATIVE EXPENSES

The Company has no employees. Auditor's remuneration is borne by the parent company  
No directors' remuneration was paid directly by the entity during the year (2009 £nil)

#### 2. INCOME TAX

Income statement	2010	2009
	£	£
<b>Current tax</b>		
Current year credit/(charge)	107,444	(5,382)
<b>Deferred tax</b>		
Origination and reversal of timing differences	(122,471)	(4,072)
Income tax expense	<u>(15,027)</u>	<u>(9,454)</u>
<b>Reconciliation of effective tax rate</b>		
Profit before tax	53,667	33,765
UK corporation tax at 28% (2009 28%)	<u>(15,027)</u>	<u>(9,454)</u>

The Budget on 23 March 2011 announced that the UK corporation tax rate will reduce from 28% to 23% over a period of four years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% was substantively enacted on 20 July 2010 and would have been effective from 1 April 2011. The Budget on 23 March 2011 now proposes that a UK corporation tax rate of 26% will be effective from 1 April 2011. This will reduce the Company's future current tax charge accordingly.

# ROODHILL LEASING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

### 2. INCOME TAX (continued)

Balance sheet	2010 £	2009 £
<b>Income tax asset/(liability)</b>		
At the beginning of the financial year	(5,382)	(26,130)
Credited/(charged) to income statement	107,444	(5,382)
Tax paid during the financial year	5,382	26,130
At the end of the financial year	<u>107,444</u>	<u>(5,382)</u>
<b>Deferred tax asset</b>		
Deferred tax asset at the beginning of the financial year	122,471	126,543
Charge to income statement	(122,471)	(4,072)
Deferred tax asset at the end of the financial year	<u>-</u>	<u>122,471</u>
<b>Deferred tax asset comprises:</b>		
Capital allowances in excess of depreciation	-	122,471

### 3. CASH AND CASH EQUIVALENTS

	2010 £	2009 £
Cash equivalents	3,886,600	3,872,174

Cash equivalents consists of an amount held with a group company, The Co-operative Bank plc

### 4. TRADE AND OTHER PAYABLES

	2010 £	2009 £
Trade payables	6	29,763
Other payables	2,663	-
	<u>2,669</u>	<u>29,763</u>

All amounts are due within three months

## **ROODHILL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **5. AMOUNTS DUE TO PARENT UNDERTAKING**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Amounts due to parent undertaking	<b>(3,022,388)</b>	<b>(3,029,153)</b>
Cash and cash equivalents	<b>3,886,600</b>	<b>3,872,174</b>
Due from parent undertaking	<b><u>864,212</u></b>	<b><u>843,021</u></b>

The Co-operative Bank plc, the parent undertaking, requires that the loan be repayable on demand. Further analysis of transactions between the Company and The Co-operative Bank plc is provided in note 9.

#### **6. SHARE CAPITAL**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
2 ordinary shares of £1	<b>2</b>	<b>2</b>

Each shareholder has one vote per share.

#### **7. SIGNIFICANT LEASING ARRANGEMENTS**

##### **FINANCE LEASES**

The Company leased capital equipment and assets to private companies and public sector organisations under finance leases for periods up to 25 years, however, all leases have now expired and none continue to exist at the balance sheet date.

#### **8. PARENT UNDERTAKING**

The Company is a wholly owned subsidiary of The Co-operative Bank plc, which is incorporated in Great Britain and registered in England and Wales. Their financial statements are available from 1 Balloon Street, Manchester, M60 4EP.

The ultimate parent undertaking is Co-operative Group Limited, which is incorporated in Great Britain and registered in England and Wales under the Industrial and Provident Societies Acts 1965 to 2003. Their financial statements are available from New Century House, Corporation Street, Manchester, M60 4ES.

## **ROODHILL LEASING LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **9. RELATED PARTY TRANSACTIONS**

The Company has not entered into any transactions with directors of the Company or their immediate relatives. No remuneration has been paid to any of the directors who served during the financial year.

A number of banking transactions are entered into with The Co-operative Bank plc in the normal course of business. The volumes of related party transactions, balances at the year end, and related income and expense for the year are as follows:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Transactions taking place in the year with related parties</b>		
Parent undertaking		
- Interest income on amounts owed by parent undertaking	<b>38,041</b>	37,040
- Management charge	-	(5,765)
<b>At the balance sheet date, related party balances</b>		
Parent undertaking		
- Cash and cash equivalents	<b>3,886,600</b>	3,872,174
- Amounts due to parent undertaking	<b>(3,022,388)</b>	(3,029,153)

All transactions are conducted on an arm's length basis and under standard commercial terms.