

Registered number
5418233

Clode Funding Limited

Report and Accounts

31 March 2011



Clode Funding Limited
Report and accounts
Contents

	Page
Company information	1
Directors' report	2-4
Statement of directors' responsibilities	5
Independent auditors' report	6
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9-15

Clode Funding Limited
Company Information

Directors

N J Davies

J R Morris

A W Penman - Appointed 4 February 2011

J M Jarvis - Appointed 4 February 2011

D J Mills - Resigned 28 June 2010

Secretary

J R Morris

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants & Statutory Auditors

One Kingsway

Cardiff

CF10 3PW

Bankers

Royal Bank of Scotland plc

280 Bishopsgate

London

EC2M 4RB

Solicitors

MLM Cartwright

Pendragon House

Fitzalan Court

Newport Road

Cardiff

CF24 0BA

Registered office

Unit 19-20

Neptune Court

Vanguard Way

Cardiff

CF24 5PJ

Registered number

5418233

Clode Funding Limited**Registered number**

5418233

Directors' Report

The directors present their report and the audited financial statements of the company for the year ended 31 March 2011

Principal activities

The company's principal activity during the year is that of provision of revolving credit and fixed rate finance

Review of the business

The company, through its acquisition by Clode Group Limited, successfully completed its re banking deal on 4 February 2011 and has resulted in Royal Bank of Scotland providing new and increased revolving credit facilities of £35million. This has enabled the company to start to go out to the retail market in order to attract new retail partners wanting to offer promotional point of sale credit to their customers

The company had another year of consolidation resulting in reduced lending volumes and reflecting the downturn in the economy. In addition, the company's previous bankers, Barclays, had also been reducing the available revolving credit facilities as they wished to exit the facility. This restriction on the amount of funding alongside significant increases in the cost of borrowing on its revolving credit facility during this year, has had an adverse impact on the financial results

As part of the investment deal referred to above, the company was sold to a new holding company, Clode Group Limited. This company has provided £3.5million of loan facilities to enable the re banking to take place and this investment also provides the company with sufficient funds to facilitate the new group's growth plans

Following the sale of the company to Clode Group Limited, the company had to write off a loan provided to a former group company, Clode Retail Finance Ltd, which went into liquidation in February 2011 and resulted in an exceptional impairment write off of £523,086 in the year

The key financial highlights are

2011 Turnover £3,710,889 Profit before exceptional items & tax £49,956

2010 Turnover £4,988,391, Profit before exceptional items & tax £1,478,215

2009 Turnover £4,028,086 Loss before exceptional items & tax £1,639,752

The new banking facilities and the new funding provided by the new parent company will enable the company to take advantage of any opportunities which may arise in the future and to grow its market share in the provision of retail credit. The company will continue to apply its rigorous credit policy and seek to improve collections through the use of an external collections agency. This should ensure profitability in 2011/12 and beyond

Results & dividends

The results for the year are set out on page 7. No interim dividend was paid or proposed (2010 £Nil). The directors do not recommend a payment of a final dividend (2010 £Nil)

Clode Funding Limited**Registered number**

5418233

Directors' Report**Principal risks and uncertainties**

The company faces a number of business risks mainly due to external factors as below

Financial risk management

The company uses various financial instruments which include loans, cash and various items, such as trade debtors and trade creditors that arise directly from operations. The company's activities expose it to a variety of financial risks that include credit risk, liquidity and interest rate risk. The directors review and agree policies for managing each of these risks and they are summarised below

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before advances are made. The company seeks to manage its customer credit risk by utilising bureau information, credit scores and automated decision strategies which have been developed over many years.

Liquidity risk

The company seeks to manage liquidity risk by ensuring sufficient funding is available to meet foreseeable needs and to invest cash assets safely and profitably. All cash balances are immediately accessible. All liabilities are due within one year. The company has re banked on 4 February 2011 which now provides facilities to 3 February 2014 and has £16million of unused facility at 31 March 2011.

Interest rate risk

The company finances its operations through a mixture of loans and equity. The company has considered the use of derivative financial instruments to manage its exposure to interest rate fluctuations on its borrowings and has implemented an interest rate cap from 4 February 2011 for 18 months to manage this risk.

Key performance indicators

The company's strategy is to continue to grow its market share in the provision of retail credit. The recent performance is set out in the key performance indicators below

	2011	2010	
	£'000s	£'000s	Commentary
Outstanding loan balances (net of provisions)	<u>24,047</u>	<u>34,436</u>	The loan book has reduced in line with the requirements to reduce the revolving credit facilities with the previous bankers and the background of the economic downturn
Impairment charge for credit losses (bad debts)	<u>1,046</u>	<u>1,114</u>	The charges for credit losses are in line with previous year and reflect the increased loss rates incurred during the year as the loan book has reduced
Net interest income (interest received less interest paid & other direct lending costs)	<u>1,430</u>	<u>2,891</u>	The increased borrowing costs has resulted in a reduction in net interest return alongside the significant reduction in outstanding loan balances
Earnings before exceptional items & tax	<u>50</u>	<u>1,478</u>	The negative impact of the factors highlighted above has resulted in a deterioration in financial performance

Clode Funding Limited

Registered number

5418233

Directors' Report

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were

N J Davies

J R Morris

A W Penman - Appointed 4 February 2011

J M Jarvis - Appointed 4 February 2011

D J Mills - Resigned 28 June 2010

Political and charitable donations

During the year the company made no political contributions and no charitable contributions

Statement of disclosure of information to auditors

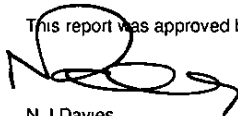
In so far as the directors are aware

- there is no relevant audit information of which the company's auditors are unaware, and
- they have taken all the 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 auditors are aware of that information

Third party indemnity provisions

The directors of the company have an insurance policy in place to provide them with indemnity cover. This policy was in force during the financial year and also at the date of approval of the financial statements

This report was approved by the board on 20 June 2011 and signed on its behalf by



N J Davies
Director

Clode Funding Limited
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 and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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

Clode Funding Limited
Independent auditors' report
to the members of Clode Funding Limited

We have audited the financial statements of Clode Funding Limited for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 Ethical Standards for Auditors.

This report, including opinions, has been prepared for and only for the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit

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. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 March 2011 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.

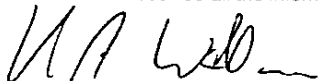
Opinion on other matters prescribed by the Companies Act 2006

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.

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.



Kevin Williams (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
20 June 2011

Clode Funding Limited
Profit and Loss Account
for the year ended 31 March 2011

	Notes	2011 £	Re-analysed 2010 £
Interest Income	2	3,710,889	4,988,391
Interest expense & Other Direct Lending Costs		(2,281,140)	(2,097,223)
Net Interest Receivable		<u>1,429,749</u>	<u>2,891,168</u>
Impairment charge for credit losses		(1,046,218)	(1,113,980)
Administrative expenses before exceptional items		(333,575)	(298,973)
Exceptional items	4	(523,086)	-
Administrative expenses		<u>(856,661)</u>	<u>(298,973)</u>
Operating (loss)/profit	3	<u>(473,130)</u>	<u>1,478,215</u>
(Loss)/profit on ordinary activities before taxation		<u>(473,130)</u>	<u>1,478,215</u>
Tax on (loss)/profit on ordinary activities	5	17,036	(268,002)
(Loss)/profit for the financial year		<u>(456,094)</u>	<u>1,210,213</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the (loss)/profit for the above two financial years

Statement of historical costs and losses

There are no material differences between the (loss)/profit on ordinary activities before taxation and the retained (loss)/profit for the year stated above and the historical cost equivalents

Re-analysed comparatives

The results for the year ended 31 March 2010 have been re-analysed to better align the presentation with that adopted by similar retail lending businesses. There are no changes to the operating profit and profit for the financial year - See note 2

The notes on pages 9 to 15 form an integral part of the financial statements

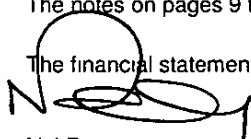
Clode Funding Limited
Registered number
Balance Sheet
as at 31 March 2011

5418233

	Notes	2011 £	2010 £
Fixed assets			
Tangible assets	6	21,007	-
Current assets			
Debtors	7	24,208,946	34,556,412
Cash at bank and in hand		575,821	-
		<u>24,784,767</u>	<u>34,556,412</u>
Creditors amounts falling due within one year	8	(20,771,312)	(33,533,595)
Net current assets		<u>4,013,455</u>	<u>1,022,817</u>
Total assets less current liabilities		<u>4,034,462</u>	<u>1,022,817</u>
Creditors amounts falling due after more than one year	9	(3,467,739)	-
Net assets		<u>566,723</u>	<u>1,022,817</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	566,722	1,022,816
Shareholders' funds	13	<u>566,723</u>	<u>1,022,817</u>

The notes on pages 9 to 15 form an integral part of the financial statements

The financial statements on pages 7 to 15 were approved by the Board and authorised for issue on



N J Davies
Director

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

1 Accounting policies

Basis of preparation

The accounts are prepared on the going concern basis under the historical cost convention and in accordance with Companies Act 2006 and applicable United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

Cash flow statements

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a small company

Interest income

Turnover represents interest receivable on credit instalment agreements. Interest is recognised in respect of "interest free" periods including that on the buy now pay later product, to the extent that it is expected that the customer will incur interest charges relating to this "interest free" period

Unearned finance charges are carried in the balance sheet as a deduction from loans and advances. Finance charges are recognised as income over the term of the agreement in proportion to the capital amount outstanding

Subsidy payments received from retailers in respect of buy now pay later products or interest free period products, are spread over the expected life of the loan, including any interest free period to present an effective return on a level yield basis for all agreements

The direct costs incurred in generating each financing agreement at its inception, are spread over the term of the loans

Tangible fixed assets & depreciation

Tangible fixed assets are initially recorded at cost, which represents the purchase price plus any incidental costs of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Computer & office equipment	over 3-4 years
-----------------------------	----------------

Deferred taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted at the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where the transaction or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in the year different to those recognised in the financial statements. Deferred tax assets are recognised only when regarded as recoverable, and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted. Deferred tax balances are not discounted

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

Impairment of loan book

The company has a systematic provision methodology for recognising the impairment on the loan book. The methodology takes into account a number of factors including, in particular, the historic collections experience. This methodology is supplemented with manual intervention for loans where the known value of impairment is in excess of the systematic provision.

The company reviews this provision methodology regularly as part of its management of the loan book to ensure that its provision is appropriate in the context of most recent trends.

	2011	Re-analysed 2010
	£	£
2 Analysis of turnover		
By activity		
Retail credit	3,710,889	4,988,391
By geographical market		
UK	3,710,889	4,988,391

The results for the year ended 31 March 2010 have been re-analysed to better align the presentation with that adopted by similar retail lending businesses. As a result interest earned has increased by £786,313, interest expenses & other direct lending costs have increased by £946,313 and administrative expenses have reduced by £160,000. There has been no change to the operating profit and profit for the financial year to 31 March 2010.

	2011	Re-analysed 2010
	£	£
3 Operating (loss)/profit		
This is stated after charging		
Depreciation of owned fixed assets	14,918	-
Interest payable	1,435,695	972,446
Credit checking & search fees	178,367	262,467
Collection costs	622,995	790,351
Dealer disputes & customer refunds	44,083	71,959

All director & staff costs along with auditor remuneration are incurred by a fellow subsidiary company.

	2011	2010
	£	£
4 Exceptional items		
Loss on write off of former group company loan	(523,086)	-

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

5 Taxation on (loss)/profit on ordinary activities	2011	2010
	£	£
Analysis of (credit)/charge in period		
Deferred tax		
Origination and reversal of timing differences	(17,036)	268,002
	<hr/>	<hr/>
Tax on (loss)/profit on ordinary activities - deferred tax	(17,036)	268,002

There is no current tax charge for the year

Factors affecting tax charge for period

The differences between the current tax assessed for the period and the standard rate of corporation tax are explained as follows

	2011	2010
	£	£
(Loss)/profit on ordinary activities before tax	(473,130)	1,478,215
Standard rate of corporation tax in the UK	28%	28%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	(132,476)	413,900
Effects of		
Group relief to/(from) other group companies	109,547	(145,898)
Capital allowances for period in excess of depreciation	(10,059)	-
Unutilised tax losses	32,988	(268,002)
	<hr/>	<hr/>
Current tax charge for period	-	-

Factors that may affect future tax charges

In addition to the changes in rates of Corporation tax disclosed above a number of further changes to the UK Corporation tax system were announced in the March 2011 UK Budget Statement. Legislation to reduce the main rate of corporation tax from 26% to 25% from 1 April 2012 is expected to be included in the Finance Act 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 23% by 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The effect of the changes expected to be enacted in the Finance Act 2011 have already been taken into account in the deferred tax asset provided at the balance sheet date with the reduction in the corporation tax rate from 28 per cent to 26 per cent with effect from 1 April 2011.

The proposed reductions of the main rate of corporation tax by 1% per year to 23% by 1 April 2014 are expected to be enacted separately each year. The overall effect of the further changes from 26% to 23%, if these applied to the deferred tax balance at the balance sheet date, would be to reduce the deferred tax asset by an additional £15,104.

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

6 Tangible fixed assets

	Computer & office equipment £
Cost	
Additions	35,925
At 31 March 2011	<u>35,925</u>
Depreciation	
Charge for the year	14,918
At 31 March 2011	<u>14,918</u>
Net book value	
At 31 March 2011	<u>21,007</u>

7 Debtors	2011 £	2010 £
Loans & advances to customers	24,047,161	34,435,843
Prepayments and accrued income	30,888	6,708
Deferred tax asset - Note 9	130,897	113,861
	<u>24,208,946</u>	<u>34,556,412</u>

Amounts due after more than one year included in
Loans & advances to customers

	5,291,848	10,145,451
--	-----------	------------

Unearned finance charges of £1,952,658 (2010 £9,572,821) and deferred subsidy of £695,014 (2010 £588,538) are netted off against loans and advances to customers

8 Creditors amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts - secured	19,688,005	32,711,335
Trade creditors	629,520	409,133
Amounts owed to group undertakings	327,004	58,835
Other taxes and social security costs	1,079	-
Other creditors	4,244	161,981
Accruals and deferred income	121,460	192,311
	<u>20,771,312</u>	<u>33,533,595</u>

The bank loans & overdrafts relate to a revolving credit facility provided by Royal Bank of Scotland plc which is secured by means of a charge over all of the group's assets. RBS is also the beneficiary of a keyman insurance policy in respect of 2 directors, N J Davies & J R Morris. Interest is charged on the revolving credit facility at 3.25% over BBA 1-month LIBOR.

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

9 Creditors amounts falling due after one year	2011	2010
	£	£
Amounts owed to group undertakings	<u>3,467,739</u>	<u>-</u>

The amount due to group undertakings after more than 1 year has a redemption date of 31 January 2015. It incurs interest at a rate of 10% per annum, half of which is paid on 31 July and 31 January each year and the remaining half is rolled up into the account balance. At 31 March 2011, £26,241 of interest was included with the amount due after more than 1 year and £26,241 was included with amounts due to group undertakings within 1 year.

10 Deferred taxation	2011	2010
	£	£
Accelerated capital allowances	5,462	-
Tax losses carried forward	<u>(136,359)</u>	<u>(113,861)</u>
Undiscounted asset for deferred tax	<u>(130,897)</u>	<u>(113,861)</u>

	2011	2010
	£	£
At 1 April	(113,861)	(381,863)
Deferred tax (credit)/charge in profit and loss account	<u>(17,036)</u>	<u>268,002</u>
At 31 March	<u>(130,897)</u>	<u>(113,861)</u>

The balance at 31 March 2011 is expected to be recovered within 12 months. The recoverability of the deferred tax asset is dependent on future taxable profits in excess of those arising from the reversal of deferred tax liabilities.

11 Share capital	Nominal value	2011 Number	2011 £	2010 £
Allotted, called up and fully paid Ordinary shares	£1 each	1	<u>1</u>	<u>1</u>

12 Profit and loss account	2011 £
At 1 April 2010	1,022,816
Loss for the financial year	<u>(456,094)</u>
At 31 March 2011	<u>566,722</u>

13 Reconciliation of movement in shareholders' funds	2011	2010
	£	£
At 1 April	1,022,817	(187,396)
(Loss)/profit for the financial year	<u>(456,094)</u>	<u>1,210,213</u>
At 31 March	<u>566,723</u>	<u>1,022,817</u>

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

14 Contingent liabilities

There are no capital commitments at 31 March 2011 (2010 - £Nil)

The company has provided a cross corporate charge to the Group's bankers in respect of all bank borrowings by group companies. Such bank borrowings are also secured by a security agreement comprising of fixed and floating charges over all the assets of the Group companies. At the balance sheet date, the amount outstanding in respect of these charges was £19,688,005

There are no other contingent assets or liabilities at 31 March 2011 (2010 - £Nil)

15 Related party transactions

2011	2010
£	£

Clode Group Limited

Parent company

Clode Group Limited has provided the company with an inter-group loan facility of up to £3.5million since its acquisition on 4 February 2011. The loan carries interest at 10% per annum payable half yearly on 1 August & 1 February each year.

Amount due from/(to) the related party	(3,493,980)	-
--	-------------	---

V-12 Holdings Limited

Fellow subsidiary company

V-12 Holdings Limited brokers new loan business to the company and also provides loan book management & collection services. During the year, V-12 Holdings charged the company £1,287,884 as financial intermediary charges/commission for the new loans brokered and charged collection costs of £619,612 for its loan book management & collection services.

Amount due from (to) the related party	(300,763)	-
--	-----------	---

Clode Retail Finance Limited in liquidation

Former fellow subsidiary company prior to the acquisition of this company by Clode Group Ltd.

Clode Retail Finance Limited was part of another group of companies headed up by Blue Neptune Limited and this group sold its 100% interest in Clode Funding Limited on 4 February 2011. Clode Retail Finance Limited had provided loan book management & collection services up to 31 March 2010 and was owed £58,835 at 31 March 2010. During the period to 4 February 2011, Clode Funding had repaid the balance due of £58,835 and had also provided loan funding to Clode Retail Finance Limited of £523,086 and with the insolvent liquidation of Clode Retail Finance Limited in February 2011, the entire balance due was written off by Clode Funding.

Amount due from/(to) the related party	-	(58,835)
Amounts written off in the period	523,086	-

Clode Funding Limited
Notes to the Accounts
for the year ended 31 March 2011

DMA Finance Limited

A company with common directors

During the year, the company has sold certain loans to DMA Finance Ltd, a company with common directors. The loans sold comprised of impaired accounts which had a carrying value of £78,676 (2010 £96,394). The loan book was sold for £78,676 (2010 £96,394).

In addition, DMA Finance had provided loan funding to the company and the balance of £161,981 from 31 March 2010 was repaid during the year. The loan incurred interest of £3,652 (2010 £101).

The company receives repayments for some customer loans sold to DMA Finance and it remits these amounts in the month following receipt. At 31 March, there was a balance due to DMA Finance of £231 which was repaid in April 2011.

Amount due from/(to) the related party	(231)	(161,981)
--	-------	-----------

Cogvale Management Services Ltd

Common director

During the year, the company has incurred expenditure of £72,402 in relation to the provision of credit management & consultancy services from Cogvale Management Services Ltd, a company under the control of Nicholas Davies. There was no balance outstanding at 31 March 2011.

JFM Growing Business Solutions Ltd

Common director

During the year, the company has incurred expenditure of £57,487 in relation to the provision of accounting, business consultancy & taxation services from JFM Growing Business Solutions Ltd, a company in which Jeremy Morris is a director. There was no balance outstanding at 31 March 2011.

16 Ultimate controlling party

Until 4 February 2011, the immediate parent company was Red Neptune Limited. On 4 February 2011 the company's entire share capital was acquired by Clode Group Limited, a company registered in England & Wales.

The ultimate controlling parties of Clode Group Limited are the directors by virtue of their shareholdings. Clode Group Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements.

The consolidated financial statements of Clode Group Limited can be obtained from Unit 20, Neptune Court, Vanguard Way, Cardiff CF24 5PJ.