

Registration number: SC057720

A & J Stephen (Builders) Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2011

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COMPANIES HOUSE

Morris & Young, Statutory Auditor
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

A & J Stephen (Builders) Limited
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A & J Stephen (Builders) Limited
Company Information

Directors	John W Stephen Brian Finlay Dale Stephen John Webster Bruce Strachan
Registered office	Stephen House Edinburgh Road PERTH PH2 8BS
Solicitors	Condies Solicitors 2 Tay Street PERTH PH1 5LJ
Auditors	Morris & Young, Statutory Auditor Chartered Accountants 6 Atholl Crescent PERTH PH1 5JN

A & J Stephen (Builders) Limited
Directors' Report for the Year Ended 31 March 2011

The directors present their report and the financial statements for the year ended 31 March 2011.

Directors of the company

The directors who held office during the year were as follows:

John W Stephen

Brian Finlay

Dale Stephen

John Webster

Bruce Strachan

Principal activity

The principal activity of the company is general building construction, principally in the field of private house building.

Business review

Fair review of the business

Continued turmoil in the global financial markets and new concerns over sovereign debt in the Eurozone has further hindered UK growth. This coupled with stricter lending criteria in the mortgage market has seen our industry hit by a longer than forecast downturn. Against this challenging backdrop we have managed to increase our turnover by almost 12%; albeit from the low of 2010. New home sales have remained sluggish; however turnover was augmented by a contract for staff housing at Strathallan School. During the year we made a significant investment in sales and marketing and have become more sophisticated in the way we profile and target our customers. It is hoped such initiatives will see us well placed when confidence returns to the market. The gross margin fell back slightly in the year principally due to raw material price increases along with higher than normal levels of sales incentives. In such a tough year the fact that the group remained profitable is a good achievement.

Outlook

Many home buyers aspire to own a Stephen Home and demand for our product remains strong. That said, buyers need to sell their own homes first and the strict lending criteria imposed on first time buyers continues to stagnate the housing chain. In such unprecedented times it is difficult to predict when market confidence will return. Indeed we are prepared for the fact that in the current economic climate current levels of trading may be the new norm in the short to medium term.

Looking to further secure our long term future the Boards philosophy of continued reinvestment in the business has seen the land bank further increased in the year through a combination of outright purchase and new option agreements.

The timing of the recovery is difficult to predict but the Board are confident that when the market returns we will be ready to capitalise on the pent up demand for new housing stock in Scotland.

A & J Stephen (Builders) Limited
Directors' Report for the Year Ended 31 March 2011

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The company's key financial and other performance indicators during the year were as follows:

	Unit	2011	2010
Turnover	£	11,432,878	10,237,070
Gross Margin	%	11	12
Profit/(loss) on ordinary activities before tax	£	(650,981)	(615,487)
Shareholders' funds	£	9,642,279	10,293,260

The company currently employs 71 people. The dedication and commitment of our people have ensured that A & J Stephen remains at the forefront of quality house building. A number of our sites were shortlisted for NHBC awards this year and the Board congratulate all nominees and winners.

Principal risks and uncertainties

The principal risk that the directors believe the Company may face is the on-going uncertainty in the financial markets and its impact on the availability of mortgage finance and consumer confidence. Outlook for the UK economy remains pessimistic with the effect of the government austerity measures yet to be fully felt. To mitigate this risk we have maintained a good relationship with the Company's bankers and carefully monitor budgets and projections. The directors are mindful that the current economic climate demands the careful management of our resources and we have to balance the investments we make in sites and product with the need to maintain cash for tough times.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of auditors

The auditors Morris & Young, Statutory Auditor are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 26 September 2011 and signed on its behalf by:



John Webster
Director

A & J Stephen (Builders) 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

Independent Auditor's Report to the Members of A & J Stephen (Builders) Limited

We have audited the financial statements of A & J Stephen (Builders) Limited for the year ended 31 March 2011, set out on pages 7 to 20. 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 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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), 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

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 Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material 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 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.

**Independent Auditor's Report to the Members of
A & J Stephen (Builders) 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.

.....
Mr Peter Young B.A., C.A. (Senior Statutory Auditor)
For and on behalf of Morris & Young, Statutory Auditor

Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

28 September 2011

A & J Stephen (Builders) Limited
Profit and Loss Account for the Year Ended 31 March 2011

	Note	2011 £	2010 £
Turnover		11,432,878	10,237,070
Cost of sales		<u>(10,181,972)</u>	<u>(8,994,926)</u>
Gross profit		1,250,906	1,242,144
Administrative expenses		(1,921,876)	(1,856,126)
Other operating income		<u>20,336</u>	<u>1,346</u>
Operating loss	2	(650,634)	(612,636)
Interest payable and similar charges	5	<u>(347)</u>	<u>(2,851)</u>
Loss on ordinary activities before taxation		<u>(650,981)</u>	<u>(615,487)</u>
Loss for the financial year	13	<u><u>(650,981)</u></u>	<u><u>(615,487)</u></u>

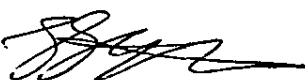
Turnover and operating profit derive wholly from continuing operations.

The notes on pages 11 to 20 form an integral part of these financial statements.


A & J Stephen (Builders) Limited
(Registration number: SC057720)
Balance Sheet at 31 March 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible fixed assets	6	153,079	231,072
Current assets			
Stocks	7	13,766,027	14,707,595
Debtors	8	870,804	477,800
Cash at bank and in hand		514	586
		14,637,345	15,185,981
Creditors: Amounts falling due within one year	9	(5,148,145)	(5,122,449)
Net current assets		9,489,200	10,063,532
Total assets less current liabilities		9,642,279	10,294,604
Creditors: Amounts falling due after more than one year	10	-	(1,344)
Net assets		9,642,279	10,293,260
Capital and reserves			
Called up share capital	11	25,000	25,000
Profit and loss account	13	9,617,279	10,268,260
Shareholders' funds	12	9,642,279	10,293,260

Approved by the Board on 26 September 2011 and signed on its behalf by:



 John W Stephen
 Director



 John Webster
 Director

A & J Stephen (Builders) Limited
Cash Flow Statement for the Year Ended 31 March 2011

	Note	2011 £	2010 £
Reconciliation of operating loss to net cash flow from operating activities			
Operating loss		(650,634)	(612,636)
Depreciation, amortisation and impairment charges		102,000	194,420
Profit on disposal of fixed assets		(150)	-
Decrease in stocks		941,568	2,323,178
(Increase)/decrease in debtors		(393,004)	1,808
(Decrease)/increase in creditors		(463,516)	991,487
Receipt/release of government grants		(1,346)	(1,346)
Net cash (outflow)/inflow from operating activities		<u>(465,082)</u>	<u>2,896,911</u>
Returns on investments and servicing of finance			
HP and finance lease interest		<u>(347)</u>	<u>(2,851)</u>
Taxation			
Taxation paid		<u>-</u>	<u>(38,677)</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(24,007)	(48,368)
Sale of tangible fixed assets		150	-
		<u>(23,857)</u>	<u>(48,368)</u>
Net cash (outflow)/inflow before management of liquid resources and financing		(489,286)	2,807,015
Financing			
Repayment of capital element of finance leases and HP contracts		<u>(21,215)</u>	<u>(86,303)</u>
(Decrease)/increase in cash	17	<u>(510,501)</u>	<u>2,720,712</u>

A & J Stephen (Builders) Limited
Cash Flow Statement for the Year Ended 31 March 2011

..... continued

Reconciliation of net cash flow to movement in net debt

	Note	2011 £	2010 £
(Decrease)/increase in cash		(510,501)	2,720,712
Cash outflow from repayment of capital element of finance leases and hire purchase contracts		<u>21,215</u>	<u>86,303</u>
Change in net debt resulting from cash flows	17	<u>(489,286)</u>	<u>2,807,015</u>
Movement in net debt	17	(489,286)	2,807,015
Net debt at 1 April	17	<u>(425,166)</u>	<u>(3,232,181)</u>
Net debt at 31 March	17	<u><u>(914,452)</u></u>	<u><u>(425,166)</u></u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

Going concern

A & J Stephen (Builders) Limited is a wholly owned subsidiary of A & J Stephen (Holdings) Limited. The company also is a borrower and guarantor under the group's borrowing facilities as set out in Note 15. These accounts have been prepared having regard to the group's trading forecasts for the next twelve months. These forecasts include detailed cashflow projections. Notwithstanding the above, given the current economic environment, there remains a risk that the external trading environment may be worse than currently envisaged, and as a result, the directors of A & J Stephen (Holdings) Limited have also reviewed forecasts which include sensitivities that make allowance for that risk. Should such a scenario arise, the directors of A & J Stephen (Holdings) Limited have confidence that they have adequate liquidity and covenant headroom to ensure that the group can meet its liabilities as they fall due for the foreseeable future. After taking this in to account the directors of A & J Stephen (Builders) Limited consider that it is appropriate to prepare these accounts on a going concern basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Revenue is measured at the fair value of consideration received or receivable and represents amounts receivable for goods and services to third parties in the normal course of business net of VAT and trade discounts. Revenue from goods and services is recognised when goods and services have been provided and the right to consideration has been earned.

Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% Straight line
Fixtures, fittings & equipment	20 & 50% Straight line
Motor vehicles	25% Straight line

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

Stocks, work in progress and long-term contracts

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating loss

Operating loss is stated after charging:

	2011	2010
	£	£
Operating leases - other assets	89,422	68,255
Auditor's remuneration - The audit of the company's annual accounts	5,750	5,750
Profit on sale of tangible fixed assets	(150)	-
Depreciation of owned assets	102,000	194,420
Government grants receivable	<u>(1,346)</u>	<u>(1,346)</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... *continued*

3 Particulars of employees

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

	2011 No.	2010 No.
Administration and support	38	33
Production	40	28
	<u>78</u>	<u>61</u>

The aggregate payroll costs were as follows:

	2011 £	2010 £
Wages and salaries	1,920,329	1,533,750
Social security costs	148,732	169,503
Staff pensions	102,497	109,641
	<u>2,171,558</u>	<u>1,812,894</u>

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2011 £	2010 £
Remuneration	185,079	199,631
Company contributions paid to money purchase schemes	<u>17,303</u>	<u>20,163</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2011 No.	2010 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

5 Interest payable and similar charges

	2011	2010
	£	£
Finance charges	<u>347</u>	<u>2,851</u>
	<u>347</u>	<u>2,851</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

6 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2010	992,015	377,222	419,562	1,788,799
Additions	24,007	-	-	24,007
Disposals	-	-	(11,514)	(11,514)
At 31 March 2011	<u>1,016,022</u>	<u>377,222</u>	<u>408,048</u>	<u>1,801,292</u>
Depreciation				
At 1 April 2010	789,124	351,741	416,862	1,557,727
Charge for the year	91,984	7,316	2,700	102,000
Eliminated on disposals	-	-	(11,514)	(11,514)
At 31 March 2011	<u>881,108</u>	<u>359,057</u>	<u>408,048</u>	<u>1,648,213</u>
Net book value				
At 31 March 2011	<u>134,914</u>	<u>18,165</u>	<u>-</u>	<u>153,079</u>
At 31 March 2010	<u>202,891</u>	<u>25,481</u>	<u>2,700</u>	<u>231,072</u>

Finance lease assets

Included within the net book value of tangible fixed assets is £nil (2010 - £48,202) in respect of assets held under finance lease agreements. Depreciation for the year on these assets was £nil (2010 - £22,870).

7 Stocks

	2011 £	2010 £
Stocks	135,988	179,811
Work in progress	<u>13,630,039</u>	<u>14,527,784</u>
	<u>13,766,027</u>	<u>14,707,595</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

8 Debtors

	2011	2010
	£	£
Trade debtors	672,366	219,845
Other debtors	183,716	239,822
Prepayments and accrued income	14,722	18,133
	<u>870,804</u>	<u>477,800</u>

9 Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	317,245	776,195
Bank loans and overdrafts	914,966	404,537
Obligations under finance lease and hire purchase contracts	-	21,215
Amounts owed to group undertakings	2,387,270	2,480,906
Corporation tax	2,651	2,651
Other taxes and social security	73,096	76,111
Other creditors	32,666	14,561
Accruals and deferred income	<u>1,420,251</u>	<u>1,346,273</u>
	<u>5,148,145</u>	<u>5,122,449</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company:

	2011	2010
	£	£
Bank overdraft	<u>914,966</u>	<u>404,536</u>

The bank overdraft is secured by a Bond and Floating Charge over all the assets of the company and letters of offset by A & J Stephen Limited and A & J Stephen (Holdings) Limited.

10 Creditors: Amounts falling due after more than one year

	2011	2010
	£	£
Accruals and deferred income	<u>-</u>	<u>1,344</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

Obligations under finance leases and HP contracts

Amounts repayable:

	2011 £	2010 £
In one year or less on demand	-	21,215

11 Share capital

Allotted, called up and fully paid shares

	2011		2010	
	No.	£	No.	£
Ordinary shares of £1 each	25,000	25,000	25,000	25,000

12 Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Loss attributable to the members of the company	(650,981)	(615,487)
Net reduction to shareholders' funds	(650,981)	(615,487)
Shareholders' funds at 1 April	10,293,260	10,908,747
Shareholders' funds at 31 March	9,642,279	10,293,260

13 Reserves

	Profit and loss account £	Total £
At 1 April 2010	10,268,260	10,268,260
Loss for the year	(650,981)	(650,981)
At 31 March 2011	9,617,279	9,617,279

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

14 Pension schemes

Defined contributions pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £102,497 (2010 - £109,641).

Contributions totalling £nil (2010 - £nil) were payable to the schemes at the end of the year and are included in creditors.

15 Contingent liabilities

There is a contingent liability relating to the guarantee given by the company to the Royal Bank of Scotland in respect of cross corporate guarantee including offset provisions incorporating all group companies.

16 Commitments

Operating lease commitments

As at 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2011	2010
	£	£
Land and buildings		
Within one year	55,000	55,000
Within two and five years	65,000	65,000
	<u>120,000</u>	<u>120,000</u>
Other		
Within one year	29,611	11,935
Within two and five years	48,334	51,948
	<u>77,945</u>	<u>63,883</u>

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... *continued*

17 Analysis of net debt

	At 1 April 2010 £	Cash flow £	At 31 March 2011 £
Cash at bank and in hand	586	(72)	514
Bank overdraft	(404,537)	(510,429)	(914,966)
	(403,951)	(510,501)	(914,452)
Finance leases and hire purchase contracts	(21,215)	21,215	-
Net debt	<u>(425,166)</u>	<u>(489,286)</u>	<u>(914,452)</u>

18 Related party transactions

Other related party transactions

During the year the company made the following related party transactions:

Dale Stephen

(director)

During the year a number of the directors and their families purchased consumable items, which are immaterial to the individuals concerned and the company, from A & J Stephen (Builders) Limited at market value. At the balance sheet date the amount due from Dale Stephen was £681 (2010 - £16).

Derek Stephen

(shareholder)

During the year a number of the directors and their families purchased consumable items, which are immaterial to the individuals concerned and the company, from A & J Stephen (Builders) Limited at market value. At the balance sheet date the amount due from Derek Stephen was £1,178 (2010 - £2,285).

Brian Finlay

(director)

During the year a number of the directors and their families purchased consumable items, which are immaterial to the individuals concerned and the company, from A & J Stephen (Builders) Limited at market value. At the balance sheet date the amount due (to)/from Brian Finlay was £nil (2010 - £3,233).

John W Stephen

(director)

During the year a number of the directors and their families purchased consumable items, which are immaterial to the individuals concerned and the company, from A & J Stephen (Builders) Limited at market value. Also during the year the company has provided services of £544,586 to John W Stephen. The company has charged John W Stephen rent of £9,900 during the year. At the balance sheet date the amount due from/(to) John W Stephen was £545,263 (2010 - £nil).

A & J Stephen (Builders) Limited

Notes to the Financial Statements for the Year Ended 31 March 2011

..... continued

A & J Stephen Limited Retirement & Death Benefit Scheme

(the director's pension scheme)

During the year the company was charged rent totalling £88,959 (2010 - £120,000) for the yard, office and an industrial unit which is considered to be a fair market rent. At the balance sheet date the amount due to A & J Stephen Limited Retirement & Death Benefit Scheme was £nil (2010 - £nil).

Elmcliff Limited

(a company Derek Stephen, Dale Stephen and Brian Finlay are also directors of)

During the year the company has paid £15 (2010 - nil) on behalf of Elmcliff Limited. Also during the year the company provided services of £1,419 (2010 - £495,654) to Elmcliff Limited. At the balance sheet date the amount due from Elmcliff Limited was £156 (2010 - £141).

Tanera LLP

(a partnership A & J Stephen Limited is a partner of)

During the year the company has paid expenses of £130 on behalf of Tanera LLP. At the balance sheet date the amount due from Tanera LLP was £6,641 (2010 - £6,511).

Inch Farms Limited

(a company that A & J Stephen (Holdings) Limited owns 50% of)

During the year the company paid nil (2010 - £15) on behalf of Inch Farms Limited. At the balance sheet date the amount due from Inch Farms Limited was £45 (2010 - £45).

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

19 Control

The company is controlled by A & J Stephen (Holdings) Limited the parent company.