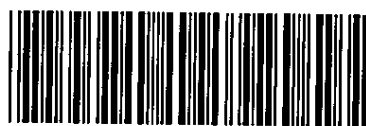


**SUTTON VENTURE GROUP LIMITED**  
**DIRECTOR'S REPORT AND**  
**GROUP FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

TUESDAY



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COMPANIES HOUSE

**SUTTON VENTURE GROUP LIMITED**

**COMPANY INFORMATION**

<b>Director</b>	R Sutton
<b>Secretary</b>	Mrs S Sutton
<b>Company number</b>	4070786
<b>Registered Office</b>	Link House Bute Street Stoke on Trent Staffordshire ST4 3PR
<b>Auditors</b>	DJH Accountants Limited Porthill Lodge High Street Wolstanton Newcastle under Lyme Staffordshire ST5 0EZ

**SUTTON VENTURE GROUP LIMITED**  
**DIRECTOR'S REPORT AND GROUP FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

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1

**SUTTON VENTURE GROUP LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 30 JUNE 2007**

The Director presents his report and financial statements for the year ended 30 June 2007

**Director's Responsibilities**

The Director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the Director to prepare financial statements for each financial year which 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 those financial statements the Director is 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 a going concern basis unless it is inappropriate to presume that the company will continue in business

The Director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables me to ensure that the financial statements comply with the Companies Act 1985. He is 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

**Principal Activities and Review of the Business**

The principal activity of the company continued to be that of a holding company of electrical wholesalers

The director is satisfied with the state of affairs and the continued profitability of the company

**Policy and Practice on Payment of Creditors**

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations

**Results and Dividends**

The results for the year are set out on pages 4 and 5

The Director does not recommend payment of a final dividend

**Director**

The following Director has held office since 1 July 2006

R Sutton

**SUTTON VENTURE GROUP LIMITED**  
**REPORT OF THE DIRECTOR**  
**FOR THE YEAR ENDED 30 JUNE 2007 (CONTINUED)**

**Director's Interests**

The Director's beneficial interests in the shares of the company were as stated below

	Ordinary Shares of £1 each	
	2007	2006
R Sutton	25,100	25,100

**Secretary**

The secretary of the company throughout the year was Mrs S Sutton

**Registered Office**

Link House  
Bute Street  
Stoke on Trent  
Staffordshire  
ST4 3PR

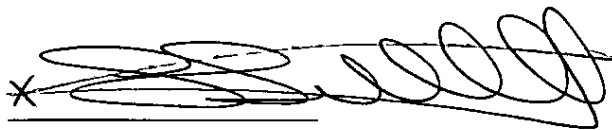
**Taxation Status**

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year

**Auditors**

DJH Accountants Limited were appointed auditors to the company and in accordance with Section 385(2) of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting

BY ORDER OF THE BOARD



Mrs S Sutton  
**Secretary**

X 31.01.08

**Date**

**INDEPENDENT AUDITORS' REPORT**  
**TO THE SHAREHOLDERS OF SUTTON VENTURE GROUP LIMITED**  
**FOR THE YEAR ENDED 30 JUNE 2007**

We have audited the financial statements of Sutton Venture Group Limited for the year ended 30 June 2007 which comprise the profit and loss account, the balance sheets, the cash flow statement, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities Of The Director And Auditors**

As described in the statement of directors' responsibilities, the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis Of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company and the group, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and the group as at 30 June 2007 and of the profit of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Porthill Lodge  
 High Street  
 Wolstanton  
 Newcastle under Lyme  
 Staffordshire  
 ST5 0EZ

2.2.08

  
**DJH ACCOUNTANTS LIMITED**  
 Chartered Certified Accountants  
 Registered Auditors

**SUTTON VENTURE GROUP LIMITED**  
**GROUP PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 JUNE 2007**

	Notes	2007 £	2006 £
<b>Turnover</b>			
Continuing Operations	2	18,823,489	18,051,387
Cost of sales		<u>(16,229,315)</u>	<u>(15,576,234)</u>
<b>Gross profit</b>		2,594,174	2,475,153
Net operating expenses		<u>(2,321,056)</u>	<u>(2,082,689)</u>
<b>Operating Profit</b>			
Continuing Operations	3	273,118	392,464
Interest receivable and similar income	4	<u>83,610</u>	<u>89,439</u>
		356,728	481,903
Interest payable and similar charges	5	<u>(199,720)</u>	<u>(157,442)</u>
<b>Profit On Ordinary Activities Before Taxation</b>		157,008	324,461
Tax On Profit On Ordinary Activities	6	<u>(54,064)</u>	<u>(117,000)</u>
<b>Profit On Ordinary Activities After Taxation</b>		102,944	207,461
Minority Interests		<u>15,464</u>	<u>9,559</u>
<b>Retained Profit For The Year</b>	16	<u><u>118,408</u></u>	<u><u>217,020</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

## SUTTON VENTURE GROUP LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 JUNE 2007**

	Notes	2007 £	2006 £
Administrative expenses		(45,185)	(84,655)
Other operating income	4	<u>384,345</u>	<u>390,940</u>
<b>Operating profit</b>			
Continuing operations	3	339,160	306,285
Interest payable and similar charges	5	<u>(61,763)</u>	<u>(68,903)</u>
<b>Profit On Ordinary Activities Before Taxation</b>		<b>277,397</b>	<b>237,382</b>
Tax on profit on ordinary activities	6	<u>(31,231)</u>	<u>(82,000)</u>
<b>Retained Profit For The Year</b>	16	<u><b>246,166</b></u>	<u><b>155,382</b></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

## SUTTON VENTURE GROUP LIMITED

GROUP STATEMENT OF TOTAL RECOGNISED GAINS  
AND LOSSES FOR THE YEAR ENDED 30 JUNE 2007

	2007 £	2006 £
Profit for the financial year	118,408	217,020
Unrealised surplus on revaluation of freehold land and buildings	690,000	-
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	808,408	217,020
	<hr/>	<hr/>

## Note of historical cost profits and losses

	2007 £	2006 £
Profit on ordinary activities before taxation	157,008	324,461
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	-	18,000
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	157,008	342,461
	<hr/>	<hr/>
Historical cost profit for the year retained after taxation, extra ordinary items and dividends	118,408	235,020
	<hr/>	<hr/>

**SUTTON VENTURE GROUP LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS**  
**AND LOSSES FOR THE YEAR ENDED 30 JUNE 2007**

	2007 £	2006 £
Profit for the financial year	246,166	155,382
Unrealised surplus on revaluation of freehold land and buildings	<u>690,000</u>	<u>-</u>
Total recognised gains and losses relating to the year	<u>936,166</u>	<u>155,382</u>

**Note of historical cost profits and losses**

	2007 £	2006 £
Reported profit on ordinary activities before taxation	277,397	237,382
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>-</u>	<u>18,000</u>
Historical cost profit on ordinary activities before taxation	<u>277,397</u>	<u>255,382</u>
Historical cost profit for the year retained after taxation, extra ordinary items and dividends	<u>246,166</u>	<u>173,382</u>

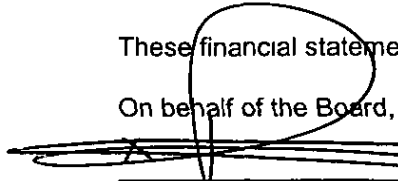
## SUTTON VENTURE GROUP LIMITED

GROUP BALANCE SHEET  
AS AT 30 JUNE 2007

	Notes	2007		2006	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	7		<u>3,399,082</u>		<u>2,597,696</u>
			3,399,082		2,597,696
<b>Current Assets</b>					
Stocks	10	3,566,557		3,026,253	
Debtors	11	4,305,184		3,629,708	
Cash at bank		47,007		56,913	
Cash in hand		1,160		1,021	
			<u>7,919,908</u>		<u>6,713,895</u>
<b>Creditors Amounts Falling Due Within One Year</b>	12	<u>(6,582,919)</u>		<u>(5,427,731)</u>	
<b>Net Current Assets</b>			<u>1,336,989</u>		<u>1,286,164</u>
<b>Total Assets Less Current Liabilities</b>			4,736,071		3,883,860
<b>Creditors Amounts Falling Due After More Than One Year</b>	13		<u>(1,036,163)</u>		<u>(976,896)</u>
<b>Net Assets</b>			3,699,908		2,906,964
<b>Equity Minority Interest</b>			<u>(24,380)</u>		<u>(39,844)</u>
			<u>3,675,528</u>		<u>2,867,120</u>
<b>Capital And Reserves</b>					
Share capital	15	25,100		25,100	
Revaluation reserve	16	1,561,501		871,501	
Profit and loss account	16	2,088,927		1,970,519	
			<u>3,675,528</u>		<u>2,867,120</u>
Shareholders funds	17		<u>3,675,528</u>		<u>2,867,120</u>

These financial statements were approved by the Board on X 31 01 08

On behalf of the Board,

 Director

R Sutton

X 31 01 08

Date

The annexed notes form part of these financial statements

## SUTTON VENTURE GROUP LIMITED

BALANCE SHEET  
AS AT 30 JUNE 2007

	Notes	2007		2006	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	8	2,878,000		2,212,000	
Investments	9	195,270		195,270	
		<u>3,073,270</u>		<u>2,407,270</u>	
<b>Current Assets</b>					
Debtors	11	1,132,230		855,959	
Cash at bank and in hand		-		2,552	
		<u>1,132,230</u>		<u>858,511</u>	
<b>Creditors Amounts Falling Due Within One Year</b>	12	<u>(936,607)</u>		<u>(903,121)</u>	
<b>Net Current Liabilities</b>		<u>195,623</u>		<u>(44,610)</u>	
<b>Total Assets Less Current Liabilities</b>		<u>3,268,893</u>		<u>2,362,660</u>	
<b>Creditors Amounts Falling Due After More Than One Year</b>	13	<u>(859,755)</u>		<u>(889,688)</u>	
		<u>2,409,138</u>		<u>1,472,972</u>	
<b>Capital And Reserves</b>					
Share capital	15	25,100		25,100	
Revaluation reserve	16	1,561,501		871,501	
Profit and loss account	16	822,537		576,371	
<b>Shareholders Funds</b>	17	<u>2,409,138</u>		<u>1,472,972</u>	

These financial statements were approved by the Board on X 31.01.08

On behalf of the Board,

X  
R Sutton Director

X 31.01.08  
Date

The annexed notes form part of these financial statements

## SUTTON VENTURE GROUP LIMITED

## GROUP CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	2007 £	2006 £
<b>Net Cash Outflow From Operating Activities</b>	<b>(197,401)</b>	<b>(88,798)</b>
<b>Returns On Investments And Servicing Of Finance</b>		
Interest received	1,257	491
Interest paid	(199,720)	(157,442)
Rents received	82,353	88,948
	<hr/>	<hr/>
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(116,110)</b>	<b>(68,003)</b>
<b>Taxation</b>	<b>(158,557)</b>	<b>(112,062)</b>
<b>Capital Expenditure</b>		
Payments to acquire tangible assets	(370,866)	(136,647)
Receipts from sales of tangible assets	76,350	100,100
	<hr/>	<hr/>
<b>Net cash outflow from capital expenditure</b>	<b>(294,516)</b>	<b>(36,547)</b>
	<hr/>	<hr/>
<b>Net cash outflow before management of liquid resources and financing</b>	<b>(766,584)</b>	<b>(305,410)</b>
<b>Financing</b>		
Repayment of bank loans	(53,913)	(192,757)
Capital element of hire purchase contracts	186,319	(42,225)
	<hr/>	<hr/>
	<b>132,406</b>	<b>(234,982)</b>
	<hr/>	<hr/>
<b>Decrease in cash in the year</b>	<b>(634,178)</b>	<b>(540,392)</b>
	<hr/>	<hr/>

## SUTTON VENTURE GROUP LIMITED

NOTES TO THE GROUP CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 £	2006 £
<b>1 Reconciliation of operating profit to net cash (outflow) /inflow from operating activities</b>		
Operating profit	273,118	392,464
Depreciation charges	175,172	200,566
Loss on sale of tangible fixed assets	7,958	4,467
Increase in stocks	(540,304)	(1,083,946)
Increase in debtors	(674,881)	260,571
Increase in creditors	561,536	137,080
<b>Net cash outflow from operating activities</b>	<b>(197,401)</b>	<b>(88,798)</b>

**2 Analysis of the changes in net debt**

	2006 £	Cash Flows £	2007 £
Net cash			
Cash at bank and in hand	57,934	(9,767)	48,167
Bank overdraft	(1,772,212)	(624,411)	(2,396,623)
	<b>(1,714,278)</b>	<b>(634,178)</b>	<b>(2,348,456)</b>
Debt			
Finance leases	(167,007)	(186,319)	(353,326)
Debts falling due within one year	(82,541)	23,980	(58,561)
Debts falling due after one year	(889,688)	29,933	(859,755)
	<b>(1,139,236)</b>	<b>(132,406)</b>	<b>(1,271,642)</b>
<b>Net debt</b>	<b>(2,853,514)</b>	<b>(766,584)</b>	<b>(3,620,098)</b>

**3 Reconciliation of net cash flow to movement in debt**

	2007 £	2006 £
(Decrease) / Increase in cash in the year	(634,178)	(540,392)
Cash inflow from decrease in debt and lease financing	(132,406)	234,982
<b>Movement in net debt in the year</b>	<b>(766,584)</b>	<b>(305,410)</b>
Opening net debt	(2,853,514)	(2,548,104)
<b>Closing net debt</b>	<b>(3,620,098)</b>	<b>(2,853,514)</b>

## SUTTON VENTURE GROUP LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2007

	2007 £	2006 £
<b>Net Cash Inflow From Operating Activities</b>	<b>168,111</b>	<b>352,860</b>
<b>Returns On Investments And Servicing Of Finance</b>		
Interest paid	(61,763)	(68,903)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(61,763)</b>	<b>(68,903)</b>
<b>Taxation</b>	<b>(82,592)</b>	<b>(88,639)</b>
<b>Net cash inflow before management of liquid resources and financing</b>	<b>23,756</b>	<b>195,318</b>
<b>Financing</b>		
Repayment of bank loans	(53,913)	(192,757)
	<b>(53,913)</b>	<b>(192,757)</b>
<b>(Decrease) / increase in cash in the year</b>	<b>(30,157)</b>	<b>2,561</b>

## SUTTON VENTURE GROUP LIMITED

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2007

	2007 £	2006 £	
1 Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit	339,160	306,285	
Depreciation charges	24,000	69,000	
Increase in debtors	(276,271)	(312,168)	
Increase in creditors	81,222	289,743	
	<hr/>	<hr/>	
Net cash inflow from operating activities	168,111	352,860	
	<hr/>	<hr/>	
2 Analysis of the changes in net debt			
	2006 £	Cash Flows £	2007 £
Net cash			
Cash at bank and in hand	2,552	(2,552)	-
Bank overdraft	-	(27,605)	(27,605)
	<hr/>	<hr/>	<hr/>
	2,552	(30,157)	(27,605)
	<hr/>	<hr/>	<hr/>
Debt			
Debts falling due within one year	(82,541)	23,980	(58,561)
Debts falling due after one year	(889,688)	29,933	(859,755)
	<hr/>	<hr/>	<hr/>
	(972,229)	53,913	(918,316)
	<hr/>	<hr/>	<hr/>
Net debt	(969,677)	23,756	(945,921)
	<hr/>	<hr/>	<hr/>
3 Reconciliation of net cash flow to movement in debt			
	2007 £	2006 £	
(Decrease) / increase in cash in the year	(30,157)	2,561	
Cash outflow from decrease in debt	53,913	192,757	
	<hr/>	<hr/>	
Movement in net debt in the year	23,756	195,318	
Opening net debt	(969,677)	(1,164,995)	
	<hr/>	<hr/>	
Closing net debt	(945,921)	(969,677)	

**SUTTON VENTURE GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2007**

**1 Accounting Policies**

**(a) Accounting convention**

The financial statements have been prepared under the historical cost convention

**(b) Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

**(c) Tangible fixed assets and depreciation**

Depreciation has been calculated to write off the cost of tangible fixed assets over their expected useful lives using the following rates

Freehold property	2% per annum on cost
Plant and equipment	15 % per annum of net book value
Computer equipment	Over useful economic life
Fixtures and fittings	15 % per annum of net book value
Motor vehicles	25 % per annum of net book value

**(d) Leasing and hire purchase commitments**

Assets acquired under finance leases and hire purchase contracts are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**(e) Investments**

Fixed assets investments are stated at cost less provision for diminution in value

**(f) Stock**

Stocks are valued at the lower of cost and net realisable value

**(g) Pensions**

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS17

**(h) Deferred taxation**

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

**SUTTON VENTURE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

**1 Accounting policies continued**

**1 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currency translated at the rates of exchange at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the profit and loss account.

**2 Turnover**

	2007	2007	2006	2006
	Company	Group	Company	Group
	£	£	£	£
UK	-	18,284,452	-	17,153,950
EEC	-	539,037	-	897,437
	-	18,823,489	-	18,051,387

**3 Operating profit**

	2007	2007	2006	2006
	Company	Group	Company	Group
	£	£	£	£
Depreciation (see below)	24,000	175,172	69,000	200,566
Loss on sale of fixed assets	-	7,958	-	4,467
Auditors remuneration	2,000	20,000	1,440	19,440
Profit on foreign exchange transactions	-	(57,391)	-	(1,000)

**Depreciation**

On owned assets	24,000	77,092	69,000	159,777
On assets held under finance leases and hire purchase contracts	-	98,080	-	40,789
	24,000	175,172	69,000	200,566

**SUTTON VENTURE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

**4 Interest receivable and similar income**

	2007	2007	2006	2006
	Company	Group	Company	Group
	£	£	£	£
Rents received	384,345	82,353	390,940	88,948
Interest received	-	1,257	-	491
	<u>384,345</u>	<u>83,610</u>	<u>390,940</u>	<u>89,439</u>

**5 Interest payable and similar charges**

	2007	2007	2006	2006
	Company	Group	Company	Group
	£	£	£	£
Bank overdraft interest	3	30,211	15	21,213
Bank loan interest	61,760	61,760	68,768	68,768
Hire purchase interest	-	30,370	-	25,465
Other interest	-	-	120	120
Discounting interest	-	77,379	-	41,876
	<u>61,763</u>	<u>199,720</u>	<u>68,903</u>	<u>157,442</u>

**SUTTON VENTURE GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2007**

**6 Taxation**

	2007	2007	2006	2006
	Company	Group	Company	Group
	£	£	£	£
<b>Domestic current year tax</b>				
UK Corporation tax	31,000	54,255	82,000	112,000
Adjustment for prior years	231	(191)	-	5,000
<b>Current tax charge</b>	<b>31,231</b>	<b>54,064</b>	<b>82,000</b>	<b>117,000</b>
<b>Factors affecting the tax charge for the year</b>				
Profit on ordinary activities before taxation	277,397	157,008	237,382	324,461
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax	83,219	47,103	66,586	101,294
Effect of -				
Tax losses utilised	(46,526)	(132)	-	(18,137)
Non deductible expenses	-	18,107	-	5,400
Depreciation add back	7,200	54,938	19,355	45,201
Capital allowances	(3,037)	(45,486)	(3,787)	(26,280)
Adjustments to previous periods	231	(191)	-	5,000
Other tax adjustments	(9,856)	(20,275)	(154)	4,522
	(51,988)	6,961	15,414	15,706
<b>Current tax charge</b>	<b>31,231</b>	<b>54,064</b>	<b>82,000</b>	<b>117,000</b>
Corporation Tax rates (%)	30.00	30 00	28 05	31 22

**SUTTON VENTURE GROUP LIMITED**  
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**7 Tangible fixed assets**

	Freehold property	Motor vehicles £	Fixtures, plant & equipment £	Total £
<b>Group</b>				
At 1 July 2006	2,250,000	393,109	559,663	3,202,772
Revaluation	600,000	-	-	600,000
Additions	-	277,440	93,426	370,866
Disposals	-	(188,947)	-	(188,947)
<b>At 30 June 2007</b>	<b>2,850,000</b>	<b>481,602</b>	<b>653,089</b>	<b>3,984,691</b>
<b>Depreciation</b>				
At 1 July 2006	90,000	158,162	356,914	605,076
Revaluation	(90,000)	-	-	(90,000)
Charge for the year	-	83,476	91,696	175,172
On disposals	-	(104,639)	-	(104,639)
<b>At 30 June 2007</b>	<b>-</b>	<b>136,999</b>	<b>448,610</b>	<b>585,609</b>
<b>Net book value</b>				
At 30 June 2006	2,160,000	234,947	202,749	2,597,696
<b>At 30 June 2007</b>	<b>2,850,000</b>	<b>344,603</b>	<b>204,479</b>	<b>3,399,082</b>

Included above are assets held under finance leases or hire purchase contracts as follows -

	Fixtures, Plant & Equipment £	Motor Vehicles £	Total £
<b>Net book values</b>			
At 1 July 2006	68,742	125,182	193,924
<b>At 30 June 2007</b>	<b>149,521</b>	<b>261,636</b>	<b>411,157</b>
<b>Depreciation charge for the year</b>			
30 June 2006	12,131	28,658	40,789
<b>30 June 2007</b>	<b>12,647</b>	<b>40,445</b>	<b>53,092</b>

The freehold property was valued on 8 August 2007 by Mark D Weller MRICS of Lambert Smith Hampton. The market value being £2,850,000

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**8 Tangible fixed assets**

	<b>Freehold Property £</b>	<b>Fixtures, Plant &amp; Equipment £</b>	<b>Total £</b>
<b>Company</b>			
<b>Cost or valuation</b>			
At 1 July 2006	2,250,000	120,000	2,370,000
Revaluation	<u>600,000</u>	<u>-</u>	<u>600,000</u>
<b>At 30 June 2007</b>	<b><u>2,850,000</u></b>	<b><u>120,000</u></b>	<b><u>2,970,000</u></b>
<b>Depreciation</b>			
1 July 2006	90,000	68,000	158,000
Revaluation	<u>(90,000)</u>	<u>-</u>	<u>(90,000)</u>
Charge for the year	<u>-</u>	<u>24,000</u>	<u>24,000</u>
<b>At 30 June 2007</b>	<b><u>-</u></b>	<b><u>92,000</u></b>	<b><u>92,000</u></b>
<b>Net book value</b>			
At 30 June 2006	<u>2,160,000</u>	<u>52,000</u>	<u>2,212,000</u>
<b>30 June 2007</b>	<b><u>2,850,000</u></b>	<b><u>28,000</u></b>	<b><u>2,878,000</u></b>

The freehold property was valued on 8 August 2007 by Mark D Weller MRICS of Lambert Smith Hampton. The market value being £2,850,000

**SUTTON VENTURE GROUP LIMITED**  
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**9 Fixed asset investments**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Subsidiary undertakings	195,270	-	195,270	-

**10 Stocks**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Goods for resale	-	3,566,557	-	3,026,253

**11 Debtors - amounts receivable within one year**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Trade debtors	9,945	3,493,108	9,685	3,416,890
Other debtors	-	396,184	-	51,979
Amounts owed by subsidiary undertakings	1,122,285	-	846,274	-
Directors loan account	-	254,336	-	107,368
Mainstream corporation tax	-	28,214	-	27,619
Prepayments & accrued income	-	133,342	-	25,852
	1,132,230	4,305,184	855,959	3,629,708

**12 Creditors - amounts falling due within one year**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Trade creditors	4,054	3,111,340	4,054	2,885,458
Social security and other taxes	-	278,471	-	95,534
Other creditors	-	23,972	-	26,791
Amounts due to subsidiary undertakings	803,857	-	703,813	-
Accruals	11,360	482,538	30,182	327,002
Directors Loan Account	170	-	170	-
Obligations under finance leases & hire purchase contracts	-	176,918	-	79,799
Bank overdrafts and loans	86,166	2,455,184	82,541	1,854,753
Mainstream corporation tax	31,000	54,496	82,361	158,394
	936,607	6,582,919	903,121	5,427,731

The bank overdraft and loans are secured by a fixed and floating charge over the assets of the company. There is also an inter company composite guarantee in place for an unlimited amount dated 13 August 2003 between Sutton Venture Group Limited, R K Wholesale Limited and Powerforce Distribution Limited.

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**13 Creditors - Amounts falling due after more than one year**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Bank loans	859,755	859,755	889,688	889,688
Obligations under finance leases and hire purchase	-	176,408	-	87,208
	<u>859,755</u>	<u>1,036,163</u>	<u>889,688</u>	<u>976,896</u>

**Net obligations under hire purchase  
contracts**

Repayable within one year	-	176,918	-	79,799
Repayable between one and five years	-	176,408	-	87,208
	-	353,326	-	167,007
Included in liabilities falling due within one year	-	(176,918)	-	(79,799)
	-	<u>176,408</u>	-	<u>87,208</u>

**Analysis of loans**

Not wholly repayable within five years by instalments	583,052	583,052	623,835	623,835
Wholly repayable within five years	335,264	335,264	348,394	348,394
	918,316	918,316	972,229	972,229
Included in current liabilities	(58,561)	(58,561)	(82,541)	(82,541)
	<u>859,755</u>	<u>859,755</u>	<u>889,688</u>	<u>889,688</u>

**Loan maturity analysis**

In more than one year but not more than two years	62,808	62,808	58,561	58,561
In more than two years but not more than five years	213,895	213,895	207,292	207,292
In more than five years	583,052	583,052	623,835	623,835

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**14 Pension costs**

**Defined contribution**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Contributions payable by the group for the year	-	13,929	-	9,096
	-	13,929	-	9,096

**15 Called Up share capital**

	2007 £	2006 £
<b>Ordinary shares £1 each</b>		
Authorised	100,000	100,000
Issued and fully paid	25,100	25,100

**16 Statements of movements on reserves**

	Company Revaluation reserve £	Profit and loss account £	Group Revaluation reserve £	Profit and loss account £
Balance at 1 July 2006	871,501	576,371	871,501	1,970,519
Retained profit for the year	-	246,166	-	118,408
Revaluation during the year	690,000	-	690,000	-
Balance at 30 June 2007	1,561,501	822,537	1,561,501	2,088,927

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**17 Reconciliation of movements in shareholders funds**

	2007 Company £	2007 Group £	2006 Company £	2006 Group £
Profit for the financial year	246,166	102,944	155,382	207,461
Revaluation of freehold property	690,000	690,000	-	-
Minority interests	-	15,464	-	9,559
Net addition to shareholders' funds	936,166	808,408	155,382	217,020
Opening shareholders' funds	1,472,972	2,867,120	1,317,590	2,650,100
Closing shareholders' funds	2,409,138	2,675,528	1,472,972	2,867,120

**18 Employees**

Average number of people (including directors)  
employed by the company during the year

	No of employees			
	2007	2007	2006	2006
	Company £	Group £	Company £	Group £
Management and administration	2	20	2	20
Distribution	-	35	-	28
Sales	-	11	-	8
Warehouse and drivers	-	6	-	5

Costs in respect of these employees -

Wages and salaries	11,697	1,437,001	4,920	1,161,695
Social security costs	-	126,449	-	97,830
Pension costs	-	13,929	-	9,096
	11,697	1,577,379	4,920	1,268,621

**SUTTON VENTURE GROUP LIMITED**  
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**19 Directors emoluments**

	<b>2007 Company £</b>	<b>2007 Group £</b>	<b>2006 Company £</b>	<b>2006 Group £</b>
Emoluments for qualifying services	-	<b>77,324</b>	-	95,668
Company pension contributions to money purchase schemes	-	<b>9,096</b>	-	9,096
	-	<b>86,420</b>	-	<b>104,764</b>

The number of directors for whom retirement benefit are accruing under money purchase schemes amounted to 1 (2006 – 1)

**20 Ultimate controlling party**

The ultimate controlling party is R Sutton by virtue of his sole shareholding

**21 Related party transactions**

The following companies are considered to be related parties as defined by FRS 8

<b>Company</b>	<b>Relationship</b>
Powerforce Distribution Limited	90% Subsidiary company
R K Wholesale Limited	100% Subsidiary company
Powerforce Homewares Limited	100% Subsidiary company
Connexions Logistics Limited	90% Subsidiary company