

Registered number: 3291503

COMPANIES HOUSE

ETHELBERT SPECIALIST HOMES LTD

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2006



ETHELBERT SPECIALIST HOMES LTD

COMPANY INFORMATION

DIRECTORS

Bernie Davenport
Leslie Davenport
Lee Davenport
Andrew Marshall
Lawrence Best
Stewart Mars
David Knowles (appointed 01/08/06)

SECRETARY

Bernie Davenport

COMPANY NUMBER

3291503

REGISTERED OFFICE

108 Church Path
Deal
Kent
CT14 9TJ

ETHELBERT SPECIALIST HOMES LTD

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**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2006**

The directors present their report and the financial statements for the year ended 31 March 2006.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

PRINCIPAL ACTIVITIES

The company's principal activity during the year continued to be that of providers of quality childcare and education.

BUSINESS REVIEW

The company has had a good trading year and has taken the opportunity to put in place plans to deal with what the Directors perceive to be the principal risks and uncertainties facing the company, which are believed to be:-

- 1) Changes in Government legislation relating to Childcare provision.
- 2) Changes in local Authority placement policy.

To this end the company continues to meet, some in conjunction with local authorities, all existing and planned legislative changes and is establishing a network of homes, throughout the South of England to provide more local facilities.

The company maintains a strong commitment to employee training and welfare and is rewarded by the considerable loyalty and dedication to the company by its staff.

The company has grown in its eight years of existence and is recognised within the South of England, as being at the forefront of childcare development as envisaged by its founders, Les and Bernie Davenport, and since the year end has been offered further opportunities to develop its ethos within this important field of childcare development.

The company's principal financial instruments comprise bank balances, bank loans, trade creditors, trade debtors, finance leases and long term preference shares. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

ETHELBERT SPECIALIST HOMES LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2006

Due to the nature of the financial instruments used by the company there is minimal exposure to price risk.

RESULTS

The profit for the year, after taxation, amounted to £344,207 (2005 - £321,002).

DIRECTORS

The directors who served during the year and their interests in the company's issued share capital were:

	ordinary shares of £1 each		5.5% Preference shares of £1 each	
	31/3/06	1/4/05	31/3/06	1/4/05
Bernie Davenport	38	38	-	-
Leslie Davenport	13	13	-	-
Lee Davenport	5	5	-	-
Andrew Marshall	-	-	-	-
Lawrence Best	-	-	-	-
Stewart Mars	-	-	-	-

N J Alder, who is a partner in the company's auditors, Reeves & Neylan, is a trustee of a Trust which holds 24 ordinary £1 shares in the company. He is not the partner responsible for the audit of the company's accounts. R Atherden who is the principal of the company's solicitors, Hardmans, is also a trustee.

EVENTS SINCE THE END OF THE YEAR

On the 30th March 2006 the Company entered into an agreement to purchase a further property in Abbey Wood, London and a deposit of £34,500 was paid. This transaction has been incorporated into these financial statements as the contract had been signed and exchanged. The contract relating to this transaction was duly completed on 28th April 2006.

AUDITORS

The auditors, Reeves & Neylan, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 18 December 2006 and signed on its behalf.



Bernie Davenport
Secretary

**INDEPENDENT AUDITORS' REPORT TO ETHELBERT SPECIALIST HOMES LTD
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts of Ethelbert Specialist Homes Ltd for the year ended 31 March 2006 set out on page 4, together with the financial statements of the company for the year ended 31 March 2006 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

BASIS OF OPINION

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

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 16 have been properly prepared in accordance with that provision.



REEVES & NEYLAN

Chartered Accountants
Registered Auditors

77 Biggin Street
Dover
Kent
CT16 1BB

21 December 2006

ETHELBERT SPECIALIST HOMES LTD

**ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006**

	Note	2006 £	2005 £
GROSS PROFIT		2,146,055	2,095,999
Administrative expenses		(1,600,806)	(1,505,549)
OPERATING PROFIT	3	545,249	590,450
Interest receivable		19,231	11,480
Interest payable	6	(85,273)	(53,785)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		479,207	548,145
TAX ON PROFIT ON ORDINARY ACTIVITIES	7	(135,000)	(227,143)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		344,207	321,002
PROFIT BROUGHT FORWARD		688,433	467,431
Dividends: Equity capital		-	(100,000)
RETAINED PROFIT CARRIED FORWARD		1,032,640	688,433

All amounts relate to continuing operations.

There were no recognised gains and losses for 2006 or 2005 other than those included in the profit and loss account.

The notes on pages 7 to 16 form part of these financial statements.

ETHELBERT SPECIALIST HOMES LTD

**ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2006**

	Note	£	2006 £	£	2005 £
FIXED ASSETS					
Intangible fixed assets	9		470,000		275,000
Tangible Fixed Assets	10		2,015,338		970,146
			2,485,338		1,245,146
CURRENT ASSETS					
Stocks	11	1,750		1,750	
Debtors	12	513,738		554,578	
Cash at bank and in hand		673,552		565,663	
			1,189,040	1,121,991	
CREDITORS: amounts falling due within one year	13	(1,062,445)		(778,732)	
NET CURRENT ASSETS			126,595		343,259
TOTAL ASSETS LESS CURRENT LIABILITIES			2,611,933		1,588,405
CREDITORS: amounts falling due after more than one year	14		(1,579,193)		(899,872)
NET ASSETS			1,032,740		688,533
CAPITAL AND RESERVES					
Called up share capital	15		100		100
Profit and loss account			1,032,640		688,433
SHAREHOLDERS' FUNDS - All equity	16		1,032,740		688,533

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved and authorised for issue by the board and were signed on its behalf on 18 December 2006.



Bernie Davenport
Director



Leslie Davenport
Director

The notes on pages 7 to 16 form part of these financial statements.

ETHELBERT SPECIALIST HOMES LTD

Abbreviated CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 £
Net cash flow from operating activities	18	1,100,462	766,207
Returns on investments and servicing of finance	19	(66,042)	(42,305)
Taxation		(227,129)	(200,000)
Capital expenditure and financial investment	19	(1,399,275)	(650,246)
Equity dividends paid		-	(100,000)
CASH OUTFLOW BEFORE FINANCING		(591,984)	(226,344)
Financing	19	723,870	481,965
INCREASE IN CASH IN THE YEAR		131,886	255,621

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 31 MARCH 2006

	2006 £	2005 £
Increase in cash in the year	131,886	255,621
Cash inflow from increase in debt and lease financing	(723,870)	(481,965)
MOVEMENT IN NET DEBT IN THE YEAR	(591,984)	(226,344)
Net debt at 1 April 2005	(464,482)	(238,138)
NET DEBT AT 31 MARCH 2006	(1,056,466)	(464,482)

The notes on pages 7 to 16 form part of these financial statements.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of services supplied, exclusive of Value Added Tax and trade discounts.

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life, which is estimated to be 6 years. Impairment reviews are undertaken at the end of each financial year.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight line
Leasehold improvements	-	Over the term of the lease
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance
Computer equipment	-	25% reducing balance

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.6 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

1.7 Stocks

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

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	2006 £	2005 £
Amortisation - intangible fixed assets	105,000	313,750
Depreciation of tangible fixed assets:		
- owned by the company	47,782	31,124
- held under finance leases	5,775	7,700
Auditors' remuneration	5,975	5,875
Operating lease rentals:		
- other operating leases	192,505	170,825
	<u>192,505</u>	<u>170,825</u>

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2006 £	2005 £
Wages and salaries	3,535,993	2,816,743
Social security costs	400,801	281,129
Other pension costs	34,187	32,736
	<u>3,970,981</u>	<u>3,130,608</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2006 No.	2005 No.
Management	27	17
Administration	23	17
Maintenance	23	20
Residential social workers	81	65
Education	31	25
	<u>185</u>	<u>144</u>

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

5. DIRECTORS' REMUNERATION

	2006 £	2005 £
Emoluments	<u>487,346</u>	<u>419,011</u>
Company pension contributions to money purchase pension schemes	<u>16,618</u>	<u>15,286</u>

During the year retirement benefits were accruing to 6 directors (2005 - 5) in respect of money purchase pension schemes.

The highest paid director received remuneration of £ 143,804 (2005 - £114,632).

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £ 5,557 (2005 - £5,214).

6. INTEREST PAYABLE

	2006 £	2005 £
On bank loans and overdrafts	83,021	52,879
On finance leases and hire purchase contracts	2,252	906
	<u>85,273</u>	<u>53,785</u>

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

7. TAXATION

	2006 £	2005 £
Analysis of tax charge in the year		
UK corporation tax charge on profits of the year	135,000	228,488
Adjustments in respect of prior periods	-	(1,345)
Total current tax	<u>135,000</u>	<u>227,143</u>
Tax on profit on ordinary activities	<u>135,000</u>	<u>227,143</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2006 £	2005 £
Profit on ordinary activities before tax	<u>479,207</u>	<u>548,145</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 - 30%)	143,762	164,444
Effects of:		
Expenses not deductible for tax purposes	10,994	-
Capital allowances for year in excess of depreciation	(577)	84,193
Overprovision of current tax	9,905	-
Difference in movement between B/S and P/L account	(1,967)	-
Adjustments to tax charge in respect of prior periods	-	(1,345)
Marginal tax relief	(27,117)	(18,601)
Finance lease adjustment	-	(1,548)
Current tax charge for the year (see note above)	<u>135,000</u>	<u>227,143</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

8. DIVIDENDS

2006 £	2005 £
<u>-</u>	<u>-</u>

ETHELBERT SPECIALIST HOMES LTD

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

9. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 April 2005	330,000
Additions	300,000
At 31 March 2006	<u>630,000</u>
Amortisation	
At 1 April 2005	55,000
Charge for the year	105,000
At 31 March 2006	<u>160,000</u>
Net book value	
At 31 March 2006	<u>470,000</u>
At 31 March 2005	<u>275,000</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Furniture, fittings and equipment £	Total £
Cost				
At 1 April 2005	945,722	69,635	82,459	1,097,816
Additions	1,089,355	11,175	-	1,100,530
Disposals	-	(10,001)	-	(10,001)
At 31 March 2006	<u>2,035,077</u>	<u>70,809</u>	<u>82,459</u>	<u>2,188,345</u>
Depreciation				
At 1 April 2005	52,747	34,921	40,002	127,670
Charge for the year	34,197	11,027	8,333	53,557
On disposals	-	(8,220)	-	(8,220)
At 31 March 2006	<u>86,944</u>	<u>37,728</u>	<u>48,335</u>	<u>173,007</u>
Net book value				
At 31 March 2006	<u>1,948,133</u>	<u>33,081</u>	<u>34,124</u>	<u>2,015,338</u>
At 31 March 2005	<u>892,975</u>	<u>34,714</u>	<u>42,457</u>	<u>970,146</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2006 £	2005 £
Motor vehicles	<u>17,324</u>	<u>23,099</u>

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

10. TANGIBLE FIXED ASSETS (continued)

Included in land and buildings is freehold land at cost of £616,259 (2005 - £305,358) which is not depreciated.

At 31 March 2006, included within the net book value of freehold property is £1,941,700 (2005 - £888,492) relating to freehold land and buildings, £6,434 (2005 - £4,483) relating to long term leasehold land and buildings and £NIL (2005 - £NIL) relating to short term leasehold land and buildings.

11. STOCKS

	2006 £	2005 £
Raw materials	1,750	1,750

12. DEBTORS

	2006 £	2005 £
Trade debtors	419,522	298,791
Other debtors	94,216	255,787
	<u>513,738</u>	<u>554,578</u>

Also included within other debtors is a loan to a French Company (Auchy Leisure S.A.R.L) in the sum of £72,000, which is interest free and repayable on demand.

**13. CREDITORS:
Amounts falling due within one year**

	2006 £	2005 £
Bank loans and overdrafts	145,671	125,569
Net obligations under finance leases and hire purchase contracts	5,154	4,704
Trade creditors	103,667	110,284
Corporation tax	135,014	227,143
Social security and other taxes	170,158	134,924
Other creditors	156,369	142,060
Accruals and deferred income	346,412	34,048
	<u>1,062,445</u>	<u>778,732</u>

The bank overdraft and loans are seured by a fixed and floating charge over the assets of the company and personal guarantees provided by the Director Mrs B Davenport.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

**14. CREDITORS:
Amounts falling due after more than one year**

	2006 £	2005 £
Bank loans	1,362,339	877,864
Net obligations under finance leases and hire purchase contracts	16,854	22,008
Share capital treated as debt (Note 15)	200,000	-
	<u>1,579,193</u>	<u>899,872</u>

Disclosure of the terms and conditions attached to the non-equity shares are made in note 15.

Creditors include amounts not wholly repayable within 5 years as follows:

	2006 £	2005 £
Repayable by instalments	<u>774,076</u>	<u>467,661</u>

The above amounts relate to Bank loans which are secured by a fixed and floating charge over the assets of the company and personal guarantees from B Davenport. The bank loans are repayable within 10 years at variable rates of interest.

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2006 £	2005 £
Between one and five years	<u>16,854</u>	<u>22,008</u>

15. SHARE CAPITAL

	2006 £	2005 £
Shares classified as capital		
Authorised, allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Shares classified as debt		
Authorised, allotted, called up and fully paid		
200,000 5.5% Preference shares of £1 each	<u>200,000</u>	<u>-</u>

On the 8 March 2006, K Davenport an employee of the company, purchased 200,000 5.5% £1 preference shares.

The preference shares have no set redemption date and upon winding up of the company are not entitled to any premium.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Opening shareholders' funds	688,533	467,531
Profit for the year	344,207	321,002
Dividends (Note 158)	-	(100,000)
	<hr/>	<hr/>
Closing shareholders' funds	<u>1,032,740</u>	<u>688,533</u>

17. DIVIDENDS

	2006 £	2005 £
Dividends paid on equity capital	-	100,000
	<hr/>	<hr/>

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating profit	545,249	590,450
Amortisation of intangible fixed assets	105,000	313,750
Depreciation of tangible fixed assets	53,557	38,824
Loss/(profit) on disposal of tangible fixed assets	526	(2,243)
Increase in stocks	-	(750)
Decrease/(increase) in debtors	40,840	(249,264)
Increase in creditors	355,290	75,440
	<hr/>	<hr/>
Net cash inflow from operations	<u>1,100,462</u>	<u>766,207</u>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2006 £	2005 £
Returns on investments and servicing of finance		
Interest received	19,231	11,480
Interest paid	(83,021)	(52,879)
Hire purchase interest	(2,252)	(906)
	<hr/>	<hr/>
Net cash outflow from returns on investments and servicing of finance	<u>(66,042)</u>	<u>(42,305)</u>

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2006 £	2005 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(300,000)	(330,000)
Purchase of tangible fixed assets	(1,100,530)	(336,593)
Sale of tangible fixed assets	1,255	16,347
Net cash outflow from capital expenditure	(1,399,275)	(650,246)
	2006 £	2005 £
Financing		
New secured loans	528,575	473,277
(Repayment of)/new finance leases	(4,705)	8,688
Issued Preference shares treated as debt	200,000	-
Net cash inflow from financing	723,870	481,965

20. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2005 £	Cash flow £	Other non-cash changes £	31 March 2006 £
Cash at bank and in hand:	565,663	107,889	-	673,552
Bank overdraft	(40,987)	23,997	-	(16,990)
	<u>524,676</u>	<u>131,886</u>	<u>-</u>	<u>656,562</u>
Debt:				
Finance leases	(26,712)	4,705	(1)	(22,008)
Debts due within one year	(84,582)	(271,383)	227,284	(128,681)
Debts falling due after more than one year	(877,864)	(457,192)	(227,283)	(1,562,339)
Net debt	(464,482)	(591,984)	-	(1,056,466)

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

21. OPERATING LEASE COMMITMENTS

At 31 March 2006 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2006	2005
	£	£
Expiry date:		
Within 1 year	144,000	146,475
Between 2 and 5 years	20,745	23,625
After more than 5 years	1,713	-
	<hr/> <hr/>	<hr/> <hr/>

22. POST BALANCE SHEET EVENTS

Since the year end, the Company has purchased an existing business in this field which included freehold property for the sum of £380,001 located in Kent.

23. CONTROLLING PARTY

The ultimate controlling party is that of the 'Davenport family members'.

24. RELATED PARTIES

1) The company leases premises, the freeholds of which are owned by B Davenport. The accounts include a charge for rent of the premises amounting to £144,000 (2005 - £144,000).

2) B Davenport has provided a personal guarantee by way of security to the company's banker.

25. PENSION COMMITMENTS

The company contributes towards personal pension schemes for certain employees including five directors. The assets of these schemes are held separately from those of the company in independently administered funds. The pension cost charges represents contributions payable by the company to the independently administered funds and amounted to £34,187 (2005 - £32,736).