


STATUTORY COPY

Company Registration No: 4416650 (England and Wales)

BELFIELD FURNISHINGS LIMITED
(FORMERLY CASTLEGATE 224 LIMITED)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2003



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COMPANIES HOUSE 27/11/03
A09 MABW9TQEKW 0414
COMPANIES HOUSE 30/10/03

BELFIELD FURNISHINGS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | P A Millership (Appointed 15 April 2002) T Keely (Appointed 15 April 2002) R E Stone (Appointed 12 August 2002) M R Brandt (Appointed 12 August 2002) P W Harrisson (Appointed 12 August 2002) P Isaacs (Appointed 12 August 2002) |
| Secretary | T Keely |
| Company number | 4416650 |
| Registered office | Coppice House The Lakeside Business Centre The Field Shipley Derbyshire DE75 7JQ |
| Auditors | Hacker Young 22 The Ropewalk Nottingham NG1 5DT |
| Business address | Belfield House Manners Industrial Estate Ilkeston Derbyshire DE7 8EF |
| Bankers | Bank of Scotland 15 Queen Street Nottingham NG1 2BL |

BELFIELD FURNISHINGS LIMITED

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BELFIELD FURNISHINGS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003

The directors present their report and financial statements for the period ended 30 June 2003.

Principal activities and review of the business

The principal activity of the company is that of the manufacture and supply of furniture and soft furnishings for the leisure industry and retail markets. The company was incorporated on 15 April 2002 as Castlegate 224 Limited and changes its name to Belfield Furnishings Limited on 28 June 2002. The company commenced trading in July 2002.

The directors acknowledge the invaluable contributions and loyal support of the company's employees.

The results for the period and the financial position at the period end were considered satisfactory by the directors, who expect continued growth in the foreseeable future.

Results and dividends

The results for the period are set out on page 5.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 15 April 2002:

| | |
|--------------------------|--|
| Castlegate Directors Ltd | (Appointed 15 April 2002 and resigned 15 April 2002) |
| P A Millership | (Appointed 15 April 2002) |
| T Keely | (Appointed 15 April 2002) |
| R E Stone | (Appointed 12 August 2002) |
| M R Brandt | (Appointed 12 August 2002) |
| P W Harrison | (Appointed 12 August 2002) |
| P Isaacs | (Appointed 12 August 2002) |

Directors' interests

The directors' beneficial interests in the share of the company were as stated below:

| | Ordinary 'A' shares of £1 each | |
|----------------|--------------------------------|---------------|
| | 30 June 2003 | 15 April 2002 |
| P A Millership | 5,750 | 1 |
| T Keely | 1,000 | - |
| R E Stone | - | - |
| M R Brandt | - | - |
| P W Harrison | - | - |
| P Isaacs | - | - |
| | Ordinary shares of £1 each | |
| | 30 June 2003 | 15 April 2002 |
| P A Millership | - | - |
| T Keely | 800 | - |
| R E Stone | 800 | - |
| M R Brandt | 550 | - |
| P W Harrison | 400 | - |
| P Isaacs | 400 | - |

BELFIELD FURNISHINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

Employee involvement

The company's policy is to consult and discuss with employees, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports, which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Arrangements would be made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

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.

Creditor payment policy

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 business;
- 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.

On average, trade creditors at the period end represented 60 days' purchases.

Auditors

Hacker Young were appointed auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

BELFIELD FURNISHINGS LIMITED

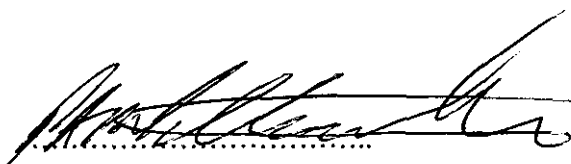
DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

Directors' responsibilities

The directors are required by the Companies Act 1985, to prepare accounts for each financial period, which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit and loss for that period. It is also the directors' responsibility to maintain adequate accounting records, safeguard the assets of the company and take reasonable steps in preventing and detecting fraud and other irregularities.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the accounts on a going concern basis, and that applicable accounting standards have been followed.

On behalf of the board



Director

24 October 2003



**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF BELFIELD FURNISHINGS LIMITED**

We have audited the financial statements of Belfield Furnishings Limited on pages 5 to 17 for the period ended 30 June 2003. These financial statements have been prepared in accordance with the historical cost convention and 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 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 described in the Statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 mis-statements within it.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, 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 mis-statement, 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 of the state of the company's affairs as at 30 June 2003 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants
Registered Auditors

24 October2003

BELFIELD FURNISHINGS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2003

| | Notes | Period ended 30 June 2003 £,000 |
|--|-----------|---------------------------------------|
| Turnover | 2 | 22,222 |
| Cost of sales | | (17,226) |
| | | <hr/> |
| Gross profit | | 4,996 |
| Distribution costs | | (980) |
| Administrative expenses | | (3,276) |
| | | <hr/> |
| Operating profit | 3 | 740 |
| Interest payable and similar charges | 4 | (219) |
| | | <hr/> |
| Profit on ordinary activities before taxation | | 521 |
| Tax on profit on ordinary activities | 5 | (118) |
| | | <hr/> |
| Profit on ordinary activities after taxation | 13 | 403 |
| | | <hr/> <hr/> |

The company's operation in the period continued unchanged: no operations were disposed of or acquired.

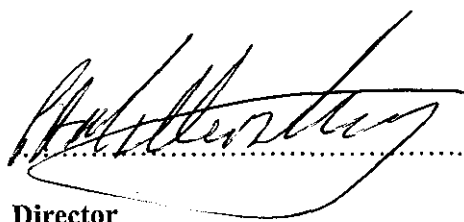
There are no recognised gains and losses other than those through the profit and loss account.

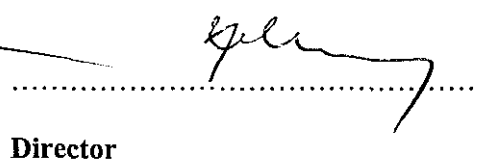
BELFIELD FURNISHINGS LIMITED

BALANCE SHEET AS AT 30 JUNE 2003

| | Notes | £'000 | 2003 £'000 |
|--|-------|---------|---------------|
| Fixed assets | | | |
| Tangible assets | 6 | | 1,690 |
| Current assets | | | |
| Stocks | 7 | 2,798 | |
| Debtors | 8 | 6,661 | |
| Cash at bank and in hand | | 96 | |
| | | <hr/> | |
| | | 9,555 | |
| Creditors: amounts falling due within one year | 9 | (9,327) | |
| | | <hr/> | |
| Net current assets | | | 228 |
| | | | <hr/> |
| Total assets less current liabilities | | | 1,918 |
| Creditors: amounts falling due after more than one year | 10 | | (1,206) |
| Provisions for liabilities and charges | 11 | | (59) |
| | | | <hr/> |
| | | | 653 |
| | | | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 12 | | 10 |
| Share premium account | 13 | | 240 |
| Profit and loss account | 13 | | 403 |
| | | | <hr/> |
| Shareholders' funds - equity interests | 17 | | 653 |
| | | | <hr/> |

The financial statements were approved by the board on 24 October 2003.


Director


Director

BELFIELD FURNISHINGS LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2003

| | Notes | £'000 | Period ended 30 June 2003 £'000 |
|--|-------|---------|---------------------------------------|
| Net cash outflow from operating activities | 14 | | (2,995) |
| Returns on investments and servicing of finance | | | |
| Interest received | | 44 | |
| Interest paid | | (263) | |
| Net cash outflow for returns on investments and servicing of finance | | | (219) |
| Capital expenditure | | | |
| Payments to acquire tangible assets | | (1,598) | |
| Net cash outflow for capital expenditure | | | (1,598) |
| Net cash outflow before management of liquid resources and financing | | | (4,812) |
| Financing | | | |
| Issue of ordinary share capital | | 463 | |
| Cost of share issue and preliminary expenses | | (212) | |
| Issue of shares | | 251 | |
| Long term bank loan | | 1,060 | |
| Other short term loans | | 300 | |
| Capital element of finance lease contracts | | (42) | |
| Increase/(decrease) in debt | | 1,318 | |
| Net cash inflow/(outflow) from financing | | | 1,569 |
| Decrease in cash for the period | 15 | | (3,243) |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|--|
| Computer equipment | 30% straight line basis |
| Leasehold improvements | Depreciated over the term of the lease |
| Plant and machinery | 10% straight line basis |
| Fixtures, fittings & equipment | 20% straight line basis |

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases 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.

1.6 Stock and work in progress

Stock and work-in-progress is stated at the lower of cost and net realisable value.

1.7 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 – Deferred Tax. Deferred tax 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.

1.8 Foreign currency transactions

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

1.9 Accounting period

The accounts cover the period from incorporation on 15 April 2002 to 30 June 2003.

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

2 Turnover and profit on ordinary activities before taxation

Turnover and profit on ordinary activities before taxation relates solely to the company's principal activity which is based entirely in the United Kingdom.

3 Operating profit

2003
£'000

Operating profit is stated after charging:

Depreciation of tangible assets

158

Loss on foreign exchange transactions

170

Auditors' remuneration

15

Non-audit remuneration paid to the auditors amounted to £2,250.

4 Interest payable

2003
£'000

On bank loans and overdrafts

232

Hire purchase interest

6

Other interest

25

263

Bank interest receivable

(44)

219

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

5 Taxation

| | 2003 £'000 |
|--|---------------|
| Domestic current year tax | |
| UK Corporation Tax | 59 |
| | <hr/> |
| Current tax charge | 59 |
| Deferred tax | |
| Deferred tax current period charge | 59 |
| | <hr/> |
| | 118 |
| | <hr/> |
| Factors affecting the tax charge for the period | |
| Profit on ordinary activities before taxation | 521 |
| | <hr/> |
| Profit on ordinary activities before taxation multiplied by standard rate of UK Corporation Tax of 27.17% | 142 |
| | <hr/> |
| Effects of: | |
| Non deductible expenses | 5 |
| Depreciation | 43 |
| Capital allowances | (103) |
| Other tax adjustments | (28) |
| | <hr/> |
| Current tax charge | 59 |
| | <hr/> |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

6 Tangible fixed assets

| | Computer equipment £'000 | Leasehold improvements £'000 | Plant, machinery & motor vehicles £'000 | Fixtures, fittings & equipment £'000 | Total £'000 |
|-----------------------|--------------------------------|------------------------------------|--|---|----------------|
| Cost | | | | | |
| At 15 April 2002 | - | - | - | - | - |
| Additions | 232 | 181 | 1,389 | 46 | 1,848 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 30 June 2003 | 232 | 181 | 1,389 | 46 | 1,848 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | | |
| At 15 April 2002 | 50 | 13 | 87 | 8 | 158 |
| Charge for the period | - | - | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| At 30 June 2003 | 50 | 13 | 87 | 8 | 158 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | | |
| At 30 June 2003 | 182 | 168 | 1,302 | 38 | 1,690 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

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

| | Plant & machinery £'000 |
|---|-------------------------------|
| Net book values | |
| At 30 June 2003 | 233 |
| | <hr/> |
| Depreciation charge for the period | |
| 30 June 2003 | 17 |
| | <hr/> |

7 Stocks and work-in-progress

| | 2003 £'000 |
|-------------------------------------|---------------|
| Raw materials and consumables | 2,018 |
| Work-in-progress | 494 |
| Finished goods and goods for resale | 286 |
| | <hr/> |
| | 2,798 |
| | <hr/> |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

8 Debtors

| | 2003 £'000 |
|--------------------------------|-------------------|
| Trade debtors | 6,014 |
| Other debtors | 477 |
| Prepayments and accrued income | 170 |
| | <hr/> 6,661 <hr/> |

9 Creditors: amounts falling due within one year

| | 2003 £'000 |
|--|-------------------|
| Bank loans and overdrafts | 3,639 |
| Net obligations under finance leases and hire purchase contracts | 62 |
| Trade creditors | 2,846 |
| Corporation Tax | 59 |
| Other taxes and social security costs | 1,349 |
| Other creditors | 287 |
| Accruals and deferred income | 1,085 |
| | <hr/> 9,327 <hr/> |

Bank borrowings are secured by way of a debenture that has a fixed and floating charge over the assets of the company. Obligations under hire purchase and finance leases are secured upon the assets to which they relate.

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

| | | |
|-----------|---|-----------------------|
| 10 | Creditors: amounts falling due after more than one year | 2003 £'000 |
| | Bank loans | 1,060 |
| | Net obligations under finance leases and hire purchase agreements | 146 |
| | | <hr/> |
| | | 1,206 |
| | | <hr/> |
| | Analysis of loans | |
| | Wholly repayable within five years | 1,360 |
| | | <hr/> |
| | | 1,360 |
| | Included in current liabilities | (300) |
| | | <hr/> |
| | | 1,060 |
| | | <hr/> |
| | Loan maturity analysis | |
| | In more than one year but not more than two years | 300 |
| | In more than two years but not more than five years | 1,060 |
| | | <hr/> |
| | Net obligations under finance leases and hire purchase contracts | |
| | Repayable within one year | 62 |
| | Repayable between one and five years | 146 |
| | | <hr/> |
| | | 208 |
| | Included in liabilities falling due within one year | (62) |
| | | <hr/> |
| | | 146 |
| | | <hr/> |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

11 Provision for liabilities and charges

| | Deferred taxation £'000 |
|-------------------------|-------------------------------|
| Profit and loss account | 59 |
| Balance at 30 June 2003 | 59 |

Deferred taxation provided in the financial statements represents accelerated capital allowances.

12 Share capital

| | 2003 £ |
|--|-----------|
| Authorised: | |
| 6,750 ordinary 'A' shares of £1 each | 6,750 |
| 4,150 ordinary shares of £1 each | 4,150 |
| | 10,900 |
| Allotted, called up and fully paid: | |
| 6,750 ordinary 'A' shares of £1 each | 6,750 |
| 2,950 ordinary shares of £1 each | 2,950 |
| | 9,700 |

At the date of incorporation, 1,000 ordinary £1 shares were created to form the capital base of the company. On 12 August 2002, the company passed a resolution to increase the share capital of the company by creating an additional 9,900 shares. These shares at this date were sub-divided into two separate categories, 6,750 of the shares were known as ordinary £1 'A' shares, with the residue of 2,950 being known as ordinary £1 shares. Also, on this date 6,750 ordinary 'A' shares of £1 and 2,950 ordinary shares of £1 were issued for a consideration of £461,518, resulting in a share premium of £451,818 (see note 13 of the accounts).

The shares are ranked pari passu in all respects, except for enhanced voting rights for the 'A' ordinary shares in certain circumstances. The rights of all shareholders are set out in the company's Articles of Association.

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

13 Statement of movements on reserves

| | Share premium account £'000 | Profit and loss account £'000 |
|--|--------------------------------------|--|
| Retained profit for the period | - | 403 |
| Premium on shares issued during the period | 452 | - |
| Share premium – other movements | (212) | - |
| | <hr/> | <hr/> |
| Balance at 30 June 2003 | 240 | 403 |
| | <hr/> | <hr/> |

The other movement in the share premium represents the preliminary expenses incurred.

14 Reconciliation of operating profit to net cash outflow from operating activities

| | 2003 £'000 |
|--|---------------|
| Operating profit/(loss) | 740 |
| Depreciation of tangible assets | 158 |
| (Increase)/decrease in stocks | (2,798) |
| Increase in debtors | (6,661) |
| Increase in creditors within one year | 5,566 |
| | <hr/> |
| Net cash outflow from operating activities | (2,995) |
| | <hr/> |

15 Analysis of debt

| | 15 April 2002 £'000 | Cash flow £'000 | 30 June 2003 £'000 |
|-----------------------------------|---------------------------|--------------------|--------------------------|
| Net cash: | | | |
| Cash at bank and in hand | - | 96 | 96 |
| Bank overdrafts | - | (3,339) | (3,339) |
| | <hr/> | <hr/> | <hr/> |
| | - | (3,243) | (3,243) |
| | <hr/> | <hr/> | <hr/> |
| Debt: | | | |
| Finance leases | - | (208) | (208) |
| Debts falling due within one year | - | (300) | (300) |
| Debts falling due after one year | - | (1,060) | (1,060) |
| | <hr/> | <hr/> | <hr/> |
| | - | (1,568) | (1,568) |
| | <hr/> | <hr/> | <hr/> |
| Net debt | - | (4,811) | (4,811) |
| | <hr/> | <hr/> | <hr/> |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

16 Reconciliation of net cash flow to movement in net debt

| | 2003 £'000 |
|---|---------------|
| Decrease in cash in the period | (3,243) |
| Cash inflow from increase in debt and lease financing | (1,568) |
| | <hr/> |
| Change in net debt resulting from cash flows | (4,561) |
| | <hr/> |
| Movement in net debt in the period | (4,811) |
| | <hr/> |
| Closing net debt | (4,811) |

17 Reconciliation of movements in shareholders' funds

| | 2003 £'000 |
|-------------------------------------|---------------|
| Profit for the financial period | 403 |
| Proceeds from issue of shares | 462 |
| Preliminary expenses | (212) |
| | <hr/> |
| Net addition to shareholders' funds | 653 |
| Opening shareholders' funds | - |
| | <hr/> |
| Closing shareholders' funds | 653 |

18 Directors' emoluments

| | 2003 £'000 |
|--|---------------|
| Emoluments for qualifying services | 223 |
| | <hr/> |
| Emoluments disclosed above include the following amounts paid to the highest paid director: | |
| Emoluments for qualifying services | 79 |

BELFIELD FURNISHINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

19 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

| | 2003 Number |
|------------------------|-----------------|
| Production | 404 |
| Sales and distribution | 6 |
| Administrative | 30 |
| | <hr/> 440 <hr/> |

Employment costs

£'000

| | |
|-----------------------|-------------------|
| Wages and salaries | 6,064 |
| Social security costs | 488 |
| Pension contributions | 120 |
| | <hr/> 6,672 <hr/> |

20 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

21 Control

The ultimate controlling parties are the 6 directors who own 100% of the issued share capital of the company.

22 Transactions with directors

Included with directors remuneration (see note 18 above) are £60,000 paid to three directors for consultancy work.

23 Related party transactions

The company purchased certain fixed assets and incurred expenses totalling £449,953 from Shelgrove Ltd, a company controlled by P A Millership, on normal commercial terms.