

A W CHAMPION TIMBER LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2007



A W CHAMPION TIMBER LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2007

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company

RESULTS AND DIVIDENDS

The profit for the year amounted to £150,000 Particulars of dividends paid are detailed in note 5 to the financial statements

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

As the company's investment has not altered and its only transactions are the receipt and a payment of a dividend the company does not have any exposure to any financial risk

DIRECTORS

The directors who served the company during the year were as follows

M G Jessop
P W A Champion
M E Saunders

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 judgements 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.

A W CHAMPION TIMBER LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2007

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is 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 auditor is aware of that information

AUDITOR

A resolution to re-appoint Shipleys LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Registered office
Champion House
Burlington Road
New Malden
Surrey
KT3 4NB

Signed by order of the directors



S P BOWDEN
Company Secretary

Approved by the directors on . 3 September 2008

A W CHAMPION TIMBER LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A W CHAMPION TIMBER LIMITED

YEAR ENDED 31 DECEMBER 2007

We have audited the financial statements of A W Champion Timber Limited for the year ended 31 December 2007, which have been prepared on the basis of the accounting policies set out on page 8

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and 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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 AUDIT 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 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 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.

A W CHAMPION TIMBER LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF A W CHAMPION TIMBER LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2007

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 the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



SHIPLEYS LLP
Chartered Accountants
& Registered Auditors

10 Orange Street
Haymarket
London
WC2H 7DQ

8 October 2008

A W CHAMPION TIMBER LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
TURNOVER		—	—
OPERATING PROFIT	2	—	—
Income from shares in group undertakings	4	150,000	110,000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		150,000	110,000
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		150,000	110,000

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the
year as set out above

The notes on pages 8 to 11 form part of these financial statements

A W CHAMPION TIMBER LIMITED

BALANCE SHEET

31 DECEMBER 2007

	Note	2007 £	£	2006 £
FIXED ASSETS				
Investments	6		<u>32,581</u>	<u>32,581</u>
CURRENT ASSETS				
Debtors	7	114		114
Cash at bank		<u>212</u>		<u>212</u>
			326	326
TOTAL ASSETS			<u>32,907</u>	<u>32,907</u>
CAPITAL AND RESERVES				
Called-up equity share capital	9		652	652
Share premium account	10		<u>32,255</u>	<u>32,255</u>
SHAREHOLDERS' FUNDS	12		<u>32,907</u>	<u>32,907</u>

These financial statements were approved by the directors and authorised for issue on 31/12/2008, and are signed on their behalf by


M G JESSOP


P W A CHAMPION

The notes on pages 8 to 11 form part of these financial statements

A W CHAMPION TIMBER LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2007

	Note	2007 £	2006 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	13	150,000	110,000
EQUITY DIVIDENDS PAID		(150,000)	(110,000)
INCREASE IN CASH		<u> — </u>	<u> — </u>

The notes on pages 8 to 11 form part of these financial statements

A W CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either 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.

2. OPERATING PROFIT

Operating profit is stated after crediting

	2007 £	2006 £
Directors' emoluments	<u>—</u>	<u>—</u>

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

4. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2007 £	2006 £
Income from group undertakings	<u>150,000</u>	<u>110,000</u>

5. DIVIDENDS

Equity dividends

	2007 £	2006 £
Paid during the year		
Equity dividends on ordinary shares	<u>150,000</u>	<u>110,000</u>

A W CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

6. INVESTMENTS

	Cost
	£
COST	
At 1 January 2007 and 31 December 2007	<u>32,581</u>
NET BOOK VALUE	
At 31 December 2007	<u>32,581</u>
At 31 December 2006	<u>32,581</u>

The company owns 100% of the issued share capital of A W Champion Limited a company incorporated in England A W Champion Limited carries on the business of timber merchants, importers and sellers of allied products

The financial information for A W Champion Limited for the year to 31 December 2007 is -

Total reserves	£5,326,240 (2006 - £4,575,711)
Profit for year after tax	£900,529 (2006 - £615,661)

7. DEBTORS

	2007	2006
	£	£
Amounts owed by group undertakings	<u>114</u>	<u>114</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr C S B Champion as the major shareholder

9. SHARE CAPITAL

Authorised share capital:

	2007	2006
	£	£
100,000 Ordinary shares of £0 01 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2007	£	2006	£
	No		No	
Ordinary shares of £0 01 each	<u>65,162</u>	<u>652</u>	<u>65,162</u>	<u>652</u>

10. SHARE PREMIUM ACCOUNT

There was no movement on the share premium account during the financial year

A W CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

11. PROFIT AND LOSS ACCOUNT

	2007 £	2006 £
Profit for the financial year	150,000	110,000
Equity dividends	(150,000)	(110,000)
Balance carried forward	<u>—</u>	<u>—</u>

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	150,000	110,000
Equity dividends	(150,000)	(110,000)
Net addition to shareholders' funds	<u>—</u>	<u>—</u>
Opening shareholders' funds	32,907	32,907
Closing shareholders' funds	<u>32,907</u>	<u>32,907</u>

13. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Net cash inflow from operating activities	<u>—</u>	<u>—</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2007 £	2006 £
Income from group undertakings	150,000	110,000
Net cash inflow from returns on investments and servicing of finance	<u>150,000</u>	<u>110,000</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2007 £	2006 £
Increase in cash in the period	—	—
Net funds at 1 January 2007	212	212
Net funds at 31 December 2007	<u>212</u>	<u>212</u>

A W CHAMPION TIMBER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2007

13. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2007 £	Cash flows £	At 31 Dec 2007 £
Net cash			
Cash in hand and at bank	212	—	212
Net funds	<u>212</u>	<u>—</u>	<u>212</u>