



Accountants &
business advisers

SPH13910 LIMITED

(Registered Number 7375021)

Directors' Report and Financial Statements

Period ended 31 December 2011

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COMPANIES HOUSE

AMENDING

SPH13910 LIMITED

COMPANY INFORMATION

Director	D J E Scully (appointed 14 September 2010)
Company secretary	D J E Scully
Company number	07375021
Registered office	Unit 3D Export Drive Huthwaite Nottinghamshire NG17 6AF
Auditor	PKF (UK) LLP Regent House Clinton Avenue Nottingham NG5 1AZ

SPH13910 LIMITED

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SPH13910 LIMITED

**DIRECTOR'S REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2011**

The director presents his report and the financial statements for the period ended 31 December 2011

Principal activities

The principal activity of the group is the design, manufacture and sale of upholstered furniture. The principal activity of the company is to act as a holding company and a buying agent for the group.

SPH 13910 Limited was incorporated on 14 September 2010 and commenced trading on that date.

On 30 December 2011 the company purchased 100% of the share capital of Whitemeadow Furniture Limited.

Results

The profit for the period, after taxation, amounted to £733,916.

Director

The director who served during the period was

D J E Scully (appointed 14 September 2010)

Qualifying third party indemnity provisions

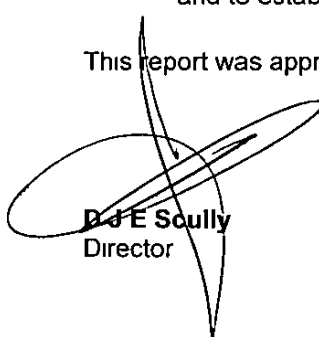
Qualifying third party indemnity provision was in force during the financial year for the benefit of the director of the company.

Provision of information to auditor

The director at the time when this director's report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

This report was approved by the board on 11 September 2012 and signed on its behalf



D J E Scully
Director

SPH13910 LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2011

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SPH13910 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTOR OF SPH13910 LIMITED

We have audited the financial statements of SPH13910 Limited for the period ended 31 December 2011 which comprise the consolidated profit and loss account, the consolidated and parent company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2011 and of the group's profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

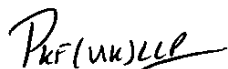
SPH13910 LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTOR OF SPH13910 LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Gareth Singleton (Senior statutory auditor)
for and behalf of PKF (UK) LLP, Statutory auditor
Nottingham, UK
11 September 2012

SPH13910 LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2011**

	Note	15 months ended 31 December 2011 £
TURNOVER	1	6,010,512
Cost of sales		<u>(4,996,087)</u>
GROSS PROFIT		1,014,425
Administrative expenses		<u>(9,288)</u>
OPERATING PROFIT		1,005,137
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,005,137
Tax on profit on ordinary activities	4	<u>(271,221)</u>
PROFIT FOR THE FINANCIAL PERIOD	15	<u>733,916</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 other than those included in the profit and loss account

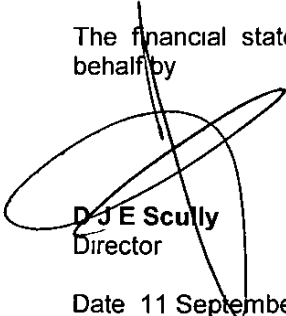
The notes on pages 9 to 20 form part of these financial statements

SPH13910 LIMITED
REGISTERED NUMBER: 07375021

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £
FIXED ASSETS			
Intangible assets	5		2,609,491
Tangible assets	6		498,357
			<u>3,107,848</u>
CURRENT ASSETS			
Stocks	8	1,477,889	
Debtors	9	4,508,945	
Cash at bank		468,092	
		<u>6,454,926</u>	
CREDITORS * amounts falling due within one year	10	(6,279,082)	
NET CURRENT ASSETS			<u>175,844</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,283,692</u>
CREDITORS: amounts falling due after more than one year	11		(367,951)
PROVISIONS FOR LIABILITIES			
Other provisions	13		(320,203)
NET ASSETS			<u><u>2,595,538</u></u>
CAPITAL AND RESERVES			
Called up share capital	14		28,573
Merger reserve	15		1,833,049
Profit and loss account	15		733,916
SHAREHOLDERS' FUNDS	16		<u><u>2,595,538</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


D J E Scully
 Director

Date 11 September 2012

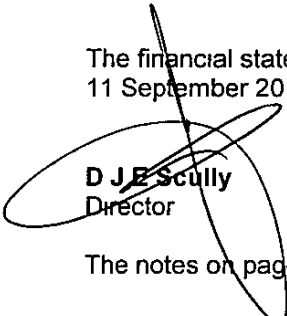
The notes on pages 9 to 20 form part of these financial statements

SPH13910 LIMITED
REGISTERED NUMBER: 07375021

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £
FIXED ASSETS			
Investments	7		1,861,621
CURRENT ASSETS			
Debtors	9	1,409,349	
Cash at bank		10,617	
		<u>1,419,966</u>	
CREDITORS: amounts falling due within one year	10	<u>(686,049)</u>	
NET CURRENT ASSETS			<u>733,917</u>
NET ASSETS			<u><u>2,595,538</u></u>
CAPITAL AND RESERVES			
Called up share capital	14		28,573
Merger reserve	15		1,833,049
Profit and loss account	15		<u>733,916</u>
SHAREHOLDERS' FUNDS	16		<u><u>2,595,538</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 September 2012


D J E Scully
Director

The notes on pages 9 to 20 form part of these financial statements

SPH13910 LIMITED

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2011**

	Note	15 months ended 31 December 2011 £
Net cash flow from operating activities	18	10,616
Acquisitions and disposals	19	457,475
CASH INFLOW BEFORE FINANCING		468,091
Financing	19	1
INCREASE IN CASH IN THE PERIOD		468,092

**CONSOLIDATED RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE PERIOD ENDED 31 DECEMBER 2011**

	15 months ended 31 December 2011 £
Increase in cash in the period	468,092
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	468,092
Other non-cash changes	(2,270,692)
MOVEMENT IN NET DEBT IN THE PERIOD	(1,802,600)
NET DEBT AT 31 DECEMBER 2011	(1,802,600)

The notes on pages 9 to 20 form part of these financial statements

SPH13910 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

1.2 Basis of consolidation

The financial statements consolidate the accounts of SPH13910 Limited and all of its subsidiary undertakings ('subsidiaries')

The results of subsidiaries acquired during the period are included from the effective date of acquisition

1.3 Turnover

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

Turnover is recognised when goods are dispatched

1.4 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.

Amortisation is provided at the following rates

Goodwill	- 12 years straight line
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1.5 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Plant & machinery	- 15-25% straight line
Motor vehicles	- 33% straight line
Furniture, fittings and equipment	- 15-30% straight line
Sewing machines	- 15% straight line

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment

1.7 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.

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES (continued)

1.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1 9 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1 10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

1 12 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 period

1.13 Provisions

A provision is recognised when the company has a present obligation, legal or constructive, as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Unless these conditions are met, no provision is recognised

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

2 TURNOVER

The whole of the turnover and profit before taxation from continuing activities is attributable to the principal activity disclosed in the directors report

All turnover arose within the United Kingdom

3. STAFF COSTS

The company has no employees other than the directors, who did not receive any remuneration

The company acquired 100% of the share capital of Whitemeadow Furniture Limited on 30 December 2011. This transaction has been accounted for under the equity accounting method and accordingly no staff cost relation to Whitemeadow Furniture Limited and its subsidiary entities are not presented in the consolidated profit and loss account

4. TAXATION

**15 months
ended
31 December
2011
£**

UK corporation tax charge on profit for the period

271,221

Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK of 26%. The differences are explained below

**15 months
ended
31 December
2011
£**

Profit on ordinary activities before tax

1,005,137

Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26%

261,336

Effects of:

Effect of change in rate of tax

9,885

Current tax charge for the period (see note above)

271,221

Factors that may affect future tax charges

The provision for deferred tax is calculated based on the tax rates expected to be effective at the time the timing differences which give rise to the provision are expected to reverse. The Chancellor of the Exchequer announced in his budget on 21 March 2012 that the rate of Corporation Tax of 26% will be reduced by 2 percentage points with effect from 1 April 2012 and a further 1 percentage point per year until 2014, when it will remain at 22%.

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

5. INTANGIBLE FIXED ASSETS

	Goodwill £
Group	
Cost	
Additions	2,609,491
At 31 December 2011	2,609,491

The company acquired 100% of the share capital of Whittemeadow Furniture Limited on 30 December 2011 accordingly no amortisation has been charged in the current period

6. TANGIBLE FIXED ASSETS

	Plant & machinery £	Motor vehicles £	Furniture, fittings and equipment £	Sewing machines £	Total £
Group					
Cost					
On acquisition of subsidiaries	259,400	104,294	100,209	34,454	498,357
At 31 December 2011	259,400	104,294	100,209	34,454	498,357

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

	2011 £
Group	
Plant and machinery	125,786
Motor vehicles	27,837
	153,623

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

7 FIXED ASSET INVESTMENTS

Company	Investments in subsidiary companies £
Cost or valuation	
Additions	1,861,621
At 31 December 2011	<u>1,861,621</u>
Net book value	
At 31 December 2011	<u><u>1,861,621</u></u>

Details of the principal subsidiaries can be found under note number 24

8. STOCKS

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Raw materials	1,371,638	-
Work in progress	59,525	-
Finished goods and goods for resale	46,726	-
	<u>1,477,889</u>	<u>-</u>

9. DEBTORS

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Trade debtors	4,259,872	-
Amounts owed by group undertakings	-	1,409,349
Other debtors	8,984	-
Prepayments and accrued income	212,412	-
Deferred tax asset (see note 12)	27,677	-
	<u>4,508,945</u>	<u>1,409,349</u>

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

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

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Bank loans and overdrafts	46,875	-
Other loans	222,500	-
Net obligations under finance leases and hire purchase contracts	85,748	-
Trade creditors	2,707,267	81,302
Amounts owed to group undertakings	-	322,673
Corporation tax	333,297	271,221
Social security and other taxes	637,164	10,853
Proceeds of factored debts	1,547,618	-
Other creditors	83,644	-
Accruals and deferred income	614,969	-
	<u>6,279,082</u>	<u>686,049</u>

Finance lease and hire purchase creditors are secured on the assets concerned

The bank loan and overdrafts are secured by a fixed and floating charge over the assets of the group

Proceeds of factored debts are secured on the trade debtors concerned

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

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Other loans	297,500	-
Net obligations under finance leases and hire purchase contracts	70,451	-
	<u>367,951</u>	<u>-</u>

Other loans are repayable over 3 years Interest is charged on other loans between 1 25% and 2% above the base rate

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

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Between one and five years	70,451	-

Finance lease and hire purchase creditors are secured on the assets concerned

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

12. DEFERRED TAXATION

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
At beginning of period	-	-
Movement in the period	27,677	-
At end of period	<u>27,677</u>	<u>-</u>

The deferred taxation balance is made up as follows

	<u>Group</u>	<u>Company</u>
	2011	2011
	£	£
Accelerated capital allowances	18,574	-
Losses carried forward	5,012	-
Short term timing differences	4,091	-
	<u>27,677</u>	<u>-</u>

13. PROVISIONS

Group	Dilapidation provision £	Warranty provision £	Total £
On acquisition of subsidiaries	221,721	98,482	320,203
At 31 December 2011	<u>221,721</u>	<u>98,482</u>	<u>320,203</u>

Dilapidation provision

In accordance with the terms of the leases of the properties from which the group operates the group is contractually obliged to return the property into the condition it was in when the leases were entered into. Each year the directors assess, after taking professional advice as necessary, the extent of the costs which would be required to comply with the terms of the lease at the balance sheet date i.e. those arising as a result from operating from the building in the past and a provision is made to cover those costs. The provision is expected to be utilised over the next 3 - 7 years.

Warranty provision

Warranty provisions are made against specific product lines, the provision represents estimated costs to rectify production issues. The provisions are expected to be utilised over the next 1 - 2 years.

The provisions are not discounted as the directors do not consider the effect of discounting to be material to the financial statements.

Company

The Company has no provisions.

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

14. SHARE CAPITAL

	2011 £
Allotted, called up and fully paid	
28,573 Ordinary shares shares of £1 each	28,573

The company allotted and issued 1 ordinary share of £1 for consideration of £1 on 14 September 2010

On 31 December 2011 a further 28,572 ordinary shares of £1 were allotted and issued in consideration for the share capital of Whitemeadow Furniture Limited. The fair value attributed to this share for share exchange was £1,861,622 and the transaction has been accounted for under the Merger Relief accounting method per s612 of Companies Act 2006, accordingly the excess of the fair value over the nominal value of the shares has been treated as a merger reserve

15. RESERVES

Group	Merger reserve £	Profit and loss account £
Profit for the period	-	733,916
Merger reserve arising on shares issued	1,833,049	-
At 31 December 2011	1,833,049	733,916
Company	Merger reserve £	Profit and loss account £
Profit for the period	-	733,916
Merger reserve arising on shares issued	1,833,049	-
At 31 December 2011	1,833,049	733,916

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £
Group	
Opening shareholders' funds	-
Profit for the period	733,916
Shares issued during the period	28,573
Merger reserve arising on shares issued	1,833,049
Closing shareholders' funds	2,595,538

	2011 £
Company	
Opening shareholders' funds	-
Profit for the period	733,916
Shares issued during the period	28,573
Merger reserve arising on shares issued	1,833,049
Closing shareholders' funds	2,595,538

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account

The profit for the period dealt with in the accounts of the company was £733,916

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

17. ACQUISITIONS AND DISPOSALS

Acquisitions

	Vendors' book value £	Fair value adjustments £	Fair value to the group £
Assets and liabilities acquired			
Tangible fixed assets	498,357	-	498,357
Stocks	1,477,889	-	1,477,889
Debtors	4,831,617	-	4,831,617
Cash at bank	457,475	-	457,475
Loans and finance leases	(2,270,692)	-	(2,270,692)
Other creditors and provisions	(5,742,515)	-	(5,742,515)
Net assets acquired	<u>(747,869)</u>	<u>-</u>	<u>(747,869)</u>
Satisfied by			
Consideration			
Issue of shares			<u>1,861,622</u>
Goodwill arising on consolidation (see note 5)			<u>2,609,491</u>

As the acquisition of Whitemeadow Furniture Limited and its subsidiary entity W M Frames Limited (formerly SPH 525 Limited) occurred on the last day of the period, there are no profits or losses of these entities between the acquisition date and the period end

The loss after tax in respect of Whitemeadow Furniture Limited and W M Frames Limited in the previous accounting period was £26,823 and £42,839 respectively

SPH13910 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2011**

18 NET CASH FLOW FROM OPERATING ACTIVITIES

	15 months ended 31 December 2011 £
Operating profit	1,005,137
Increase in debtors	414,828
Increase in creditors	(1,409,349)
Net cash inflow from operating activities	10,616

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

	15 months ended 31 December 2011 £
Acquisitions and disposals	
Cash acquired on acquisition of subsidiaries	457,475

	15 months ended 31 December 2011 £
Financing	
Issue of ordinary shares	1

20. ANALYSIS OF CHANGES IN NET DEBT

	1 October 2010 £	Cash flow £	Acquisition (excluding cash) £	31 December 2011 £
Cash at bank and in hand	-	468,092	-	468,092
Proceeds of factored debts	-	-	(1,547,618)	(1,547,618)
Finance leases	-	-	(156,199)	(156,199)
Debts due within one year	-	-	(269,375)	(269,375)
Debts falling due after more than one year	-	-	(297,500)	(297,500)
Net funds	-	468,092	(2,270,692)	(1,802,600)

SPH13910 LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2011

21. OPERATING LEASE COMMITMENTS

At 31 December 2011 the Group had annual commitments under non-cancellable operating leases as follows

	Land and buildings 2011 £
Group	
Expiry date:	
Within 1 year	27,591
Between 2 and 5 years	120,186
After more than 5 years	203,000

22. RELATED PARTY TRANSACTIONS

Group related party transactions

Rent of £41,140 is owed to I R Oscroft's pension scheme I R Oscroft is the group's ultimate controlling party

The group entered into transactions with Momento Furniture Designs Limited, a company in which D J E Scully, a director of SPH 13910 Limited, is a director At the period end the group was owed £70,473 which is included within trade debtors

Company related party transactions

On 31 December 2011 the company acquired 100% of the share capital of Whitemeadow Furniture Limited Accordingly, the company has taken advantage of the exemption in paragraph 3 of FRS 8 from disclosing transactions with other wholly owned members of the group from that date

Prior to this date the company had transactions with companies now within the SPH 13910 Limited group of entities The company made sales of £6,010,512 to Whitemeadow Furniture Limited in the period and made purchases of £1,209,764 from W M Frames Limited (formerly SPH 525 Limited) in the period Whitemeadow Furniture Limited and W M Frames Limited were related to the company prior to the transaction through common ownership

23. CONTROLLING PARTY

In the opinion of the directors the controlling and ultimate controlling party is I R Oscroft by way of majority share ownership

24. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Whitemeadow Furniture Limited	United Kingdom	100%	Ordinary
W M Frames Limited	United Kingdom	100%	Ordinary

W M Frames Limited is a 100% subsidiary undertaking of Whitemeadow Furniture Limited