



Grant Thornton

Financial statements
Churngold Remediation
Holdings Limited and
its subsidiary
undertakings

For the Year Ended 31 May 2010

Company information

Company registration number	4736181
Registered office	St Andrews House St Andrews Road Avonmouth Bristol BS11 9DQ
Directors	J R Ancell (Chairman) A R Brown (Managing Director) J R Henderson (Non-Executive) R N Tredwin (Finance Director)
Secretary	R N Tredwin
Bankers	Lloyds TSB Bank plc 61 Gloucester Road Bristol BS34 5JH
Solicitors	Osborne Clarke 2 Temple Back East Temple Quay Bristol BS1 6EG
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Hartwell House 55 - 61 Victoria Street BRISTOL BS1 6FT

Index

Report of the directors	4 - 6
Report of the independent auditor	7 - 8
Principal accounting policies	9 - 11
Consolidated profit and loss account	12
Consolidated balance sheet	13
Company balance sheet	14
Notes to the financial statements	15 - 24

Report of the directors

The directors present their report and the financial statements of the group for the year ended 31 May 2010.

Principal activities and business review

The principal activity of the group continues to be the remediation of contaminated sites throughout the UK.

The principal activity of the company is to act as a holding company.

This year has seen an improvement in the trading results of the business following the significant restructuring undertaken last year.

Future developments

The company's breadth of remediation solutions continues to offer considerable potential for development and expansion; however, we expect the construction and remediation markets to continue to be challenging for at least the next 12 months.

The directors have prepared projected cash flow information which assumes a level of trading which will ensure the company continues to operate within its £500,000 overdraft facility (renewed in August 2010 for a period of 12 months). On the basis of this information, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Results and dividends

The profit for the year, after taxation, amounted to £218,000. The directors have not recommended a dividend.

Key performance indicators

		2010	2009	Change in the year
Financial metrics				
Group revenue	£000	2,823	2,861	(1%)
Group earnings/(loss) before interest, tax, depreciation, amortisation and central management charges	£000	226	(864)	+£1,090k
Average days turnover in amounts recoverable on contracts and trade debtors	Days	92	97	(5 days)
People				
Staff as at 31 May	No	14	18	(22%)

Report of the directors (continued)

Funding and risk management objectives and policies

The main risks arising are liquidity, credit and interest rate risks. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Liquidity

The group uses loan stock funds provided by the Directors, overdraft facilities provided by Lloyds Bank and preference shares to fund the business. At the year end the group had access to bank borrowing facilities of £500,000 made available until August 2011. The maturity profile of committed banking facilities is regularly reviewed and such facilities are extended or replaced well in advance of their expiry. The group does not enter into speculative financial transactions and uses financial instruments (e.g. Trade Credit Insurance) for certain risk management purposes.

Credit Risk

The group's principal financial assets are cash, trade debtors and amounts recoverable on contracts. The group limits deposits to short term deposits with its bankers. The principal credit risk arises therefore from its debtors/amounts recoverable on contracts.

In order to manage this risk all jobs and customers are credit checked at contract stage and credit insurance is arranged on the majority of debts.

Interest Rate Risk

The group reduces exposure to interest rates through a mixture of fixed rate loan stock and variable rates for overdraft facilities.

Directors

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

J R Ancell
J R Henderson
R N Tredwin
A R Brown

Report of the directors (continued)

Directors' responsibilities

The directors are responsible for preparing the Directors' 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group 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 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;
- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the group'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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD

R N Tredwin
Secretary
13 August 2010



Report of the independent auditor to the members of Churngold Remediation Holdings Limited

We have audited the financial statements of Churngold Remediation Holdings Limited for the year ended 31 May 2010 which comprise the principal accounting policies, the consolidated profit and loss account, the consolidated and parent company balance sheets 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 directors and auditors

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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

Opinion on 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 May 2010 and of the group's profit for the year 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.

Report of the independent auditor to the members of Churngold Remediation Holdings Limited and its subsidiary undertakings (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

James Morter
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
Bristol
13 August 2010

Principal accounting policies

Basis of accounting

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

The principal accounting policies of the group have remained unchanged from the previous year.

Going concern

The directors consider that the company has sufficient resources available in terms of both bank and related party funding to justify preparing the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies.

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over its estimated useful economic life. The results of companies acquired or disposed of are included in the consolidated profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a consolidated cash flow statement in the financial statements on the grounds that the group is small.

Turnover

Turnover is the total amount receivable for goods and services provided, net of VAT and trade discounts. In the case of long term contracts, turnover represents the sales value of work done in the year.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings is capitalised and amortised over the period during which the company is expected to benefit. Goodwill is reviewed for impairment where the directors consider the net realisable value is below amortised cost.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery - over 3 to 7 years

Investments

Investments in subsidiary undertakings are included in the company accounts valued at the lower of cost and the directors' estimate of net realisable value.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company contributes to the personal pensions of all employees and directors. Contributions are charged to the profit and loss account as incurred.

Deferred taxation

Deferred tax is recognised in respect of all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Long-term contracts

Turnover and related costs on each long-term contract are recorded in the profit and loss account as contract activity progresses. Turnover is calculated on the basis of the value of the work done. Attributable profit is calculated for each contract by reference to the contract's cumulative turnover, total contract value and total profit estimated for the completed contract. Full provision is made for losses on a contract immediately they can be foreseen. The value of work completed at the year end for which no sales invoice has been raised or no certification paid is included in amounts recoverable on long-term contracts.

Share-based payment

Equity-settled share-based payment.

All material share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2006 are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values. Where employees are rewarded using share based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets).

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to "other reserve".

If vesting periods or other non-market vesting conditions apply the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital and, where appropriate, share premium.

In the opinion of the directors the potential charge arising under FRS 20 is not material to these financial statements and so has not been recognised.

Consolidated profit and loss account

	Note	2010 £000	2009 £000
Group turnover	1	2,823	2,861
Cost of sales		<u>(2,189)</u>	<u>(2,453)</u>
Gross profit		634	408
Other operating charges	2	<u>(411)</u>	<u>(1,490)</u>
Operating profit/(loss)	3	223	(1,082)
Interest receivable	6	-	8
Interest payable and similar charges	7	<u>(5)</u>	<u>(16)</u>
Profit/(loss) on ordinary activities before taxation		218	(1,090)
Tax on profit/(loss) on ordinary activities	8	<u>-</u>	<u>156</u>
Profit/(loss) for the financial year	22	<u>218</u>	<u>(934)</u>

All of the activities of the group are classed as continuing.

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

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account.

Consolidated balance sheet

	Note	2010 £000	2009 £000
Fixed assets			
Intangible assets	10	-	-
Tangible assets	11	1	4
		<u>1</u>	<u>4</u>
Current assets			
Debtors	13	798	542
Cash at bank and in hand		68	20
		<u>866</u>	<u>562</u>
Creditors: amounts falling due within one year	14	<u>1,204</u>	1,121
Net current liabilities		<u>(338)</u>	<u>(559)</u>
Total assets less current liabilities		<u>(337)</u>	<u>(555)</u>
Creditors: amounts falling due after more than one year	15	<u>182</u>	182
		<u>(519)</u>	<u>(737)</u>
Capital and reserves			
Called up share capital	21	330	330
Profit and loss account	22	(849)	(1,067)
Shareholders' deficit	23	<u>(519)</u>	<u>(737)</u>

These financial statements were approved by the directors on 13 August 2010 and are signed on their behalf by:

J R Ancell
 Director

Company number 4736181

Company balance sheet

	Note	2010 £000	2009 £000
Fixed assets			
Investments	12	-	-
Current assets			
Bank		-	6
Debtors	13	-	-
		-	6
Creditors: amounts falling due within one year	14	58	64
Net current liabilities		(58)	(58)
Total assets less current liabilities		(58)	(58)
Creditors: amounts falling due after more than one year	15	-	-
		(58)	(58)
Capital and reserves			
Called up share capital	21	330	330
Profit and loss account	22	(388)	(388)
Shareholders' deficit		(58)	(58)

These financial statements were approved by the directors on 13 August 2010 and are signed on their behalf by:

J R Ancell
 Director

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the group.
 An analysis of turnover is given below:

	2010	2009
	£000	£000
United Kingdom	2,823	2,861
	<u>2,823</u>	<u>2,861</u>

2 Other operating charges

	2010	2009
	£000	£000
Administrative expenses	411	1,490
	<u>411</u>	<u>1,490</u>

3 Operating profit/(loss)

Operating profit/(loss) is stated after charging:

	2010	2009
	£000	£000
Amortisation	-	40
Depreciation of owned fixed assets	3	4
Auditor's remuneration:		
Audit fees	3	5
Non-audit fees	2	2
Operating lease costs:		
Plant and equipment	452	806
Other	22	52
Impairment of goodwill	-	157
Net gain on foreign currency translation	<u>(8)</u>	<u>(1)</u>

4 Directors and employees

The average number of staff employed by the group during the financial year amounted to:

	2010	2009
Administration and managerial	5	5
Technical and service	11	24
	<u>16</u>	<u>29</u>

The aggregate payroll costs of the above were:

	2010	2009
	£000	£000
Wages and salaries	475	1,030
Social security costs	61	123
Other pension costs	7	92
	<u>543</u>	<u>1,245</u>

5 Directors

Remuneration in respect of directors was as follows:

	2010	2009
	£000	£000
Emoluments receivable	-	72
Compensation for loss of office	-	18
Value of company pension contributions to money purchase schemes	-	5
	<u>-</u>	<u>95</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2010	2009
	No	No
Money purchase schemes	<u>nil</u>	<u>1</u>

Share options have been issued to certain directors which will be satisfied from existing share capital. No directors exercised share options during the year (2009 - nil).

6 Interest receivable and similar income

	2010	2009
	£000	£000
Bank interest receivable	-	8
	<u>-</u>	<u>8</u>

7 Interest payable and similar charges

	2010	2009
	£000	£000
Interest payable on bank borrowing	5	2
Loan stock interest	-	12
Other interest payable	-	2
	<u>5</u>	<u>16</u>
	<u><u>5</u></u>	<u><u>16</u></u>

8 Taxation on ordinary activities

(a) Analysis of charge in the year

	2010	2009
	£	£
Current tax		
UK Corporation tax based on the results for the year at 21% (2009 - 28%)	-	(156)
(Over)/under provision in prior year	-	-
Total current tax	<u>-</u>	<u>(156)</u>
	<u><u>-</u></u>	<u><u>(156)</u></u>

8 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2009 - 28%).

	2010	2009
	£	£
Profit/(loss) on ordinary activities before taxation	<u>218</u>	<u>(1,090)</u>
Profit/(loss) on ordinary activities by rate of tax	46	(305)
Expenses not deductible for tax purposes	1	120
Depreciation for period less than capital allowances	(1)	(2)
Losses carried forward	-	90
Use of losses	(57)	-
Other timing differences	11	-
Consolidation adjustment	<u>-</u>	<u>(59)</u>
Current tax (note 8(a))	<u>-</u>	<u>(156)</u>

9 Loss attributable to members of the parent company

The loss dealt with in the accounts of the parent company was £nil (2009 loss £405,000).

10 Intangible fixed assets

Group	Goodwill £000
Cost or valuation	
At 1 June 2009 and 31 May 2010	<u>397</u>
Amortisation	
At 1 June 2009 and 31 May 2010	<u>397</u>
Net Book Value	
At 31 May 2009 and 31 May 2010	<u>-</u>

Goodwill arising on the acquisition of Churngold Remediation Limited is being amortised over its estimated useful economic life of 10 years. During the previous year the directors carried out a review of the value of goodwill and concluded that the value should be impaired to £nil.

11 Tangible fixed assets

Group	Plant & Machinery £000
Cost or valuation	
At 1 June 2009	298
Additions	-
Disposals	-
At 31 May 2010	<u>298</u>
Depreciation	
At 1 June 2009	294
Charge for the year	3
On disposals	-
At 31 May 2010	<u>297</u>
Net Book Value	
At 31 May 2010	<u>1</u>
At 31 May 2009	<u>4</u>

The company held no tangible fixed assets during the year.

12 Investments

	£000
Company	
Cost at 1 June 2009 and 31 May 2010	<u>405</u>
Amounts written off at 1 June 2009 and 31 May 2010	<u>405</u>
Net Book Value	
At 31 May 2010	<u>-</u>
At 31 May 2009	<u>-</u>

At 31 May 2010 the company held 100% of the allotted share capital of the following undertakings:

	Class of share capital held	Nature of business	Proportion held
Churngold Remediation Limited	Ordinary	Remediation of contaminated sites	100%

13 Debtors

	The group		The company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Trade debtors	300	266	-	-
Amounts owed by related undertakings	76	34	-	-
Amounts recoverable on contracts	410	232	-	-
Prepayments and accrued income	12	10	-	-
	<u>798</u>	<u>542</u>	<u>-</u>	<u>-</u>

14 Creditors: amounts falling due within one year

	The group		The company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Bank overdraft	-	315	-	-
Loan stock	-	31	-	31
Trade creditors	267	158	-	2
Other taxation and social security	70	83	-	7
Other creditors	24	24	-	-
Amounts owed to related parties	360	30	-	17
Amounts owed to group undertakings	-	-	55	-
Accruals and deferred income	483	480	3	7
	<u>1,204</u>	<u>1,121</u>	<u>58</u>	<u>64</u>

The £500,000 bank overdraft facility is secured by a cross guarantee from Churngold Construction Holdings Limited.

15 Creditors: amounts falling due after more than one year

	The group		The company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Other creditors	182	182	-	-
	<u>182</u>	<u>182</u>	<u>-</u>	<u>-</u>

16 Loans

Creditors include finance capital which is due for repayment as follows:

	The group		The company	
	2010	2009	2010	2009
	£000	£000	£000	£000
Amounts repayable:				
9% fixed rate loan stock in one year or less				
or on demand	-	31	-	31
	<u>-</u>	<u>31</u>	<u>-</u>	<u>31</u>

All interest was waived with effect from 1 February 2009.

17 Pensions

The company operates a defined contribution scheme for the benefit of all employees. The assets of the scheme are administered by trustees in a fund independent from those of the company.

18 Commitments under operating leases

At 31 May 2010 the group had annual commitments under non-cancellable operating leases as set out below.

The group	2010		2009	
	Land & Buildings	Other Items	Land & Buildings	Other Items
	£000	£000	£000	£000
Operating leases which expire:				
Within 1 year	8	7	15	41
Within 2 to 5 years	-	-	-	13
	<u>8</u>	<u>7</u>	<u>15</u>	<u>54</u>

19 Contingent liabilities

There are contingent liabilities in respect of performance guarantees entered into in the normal course of business amounting to £100,000 within the group as at 31 May 2010 (2009 - £299,000). The performance bond provider holds a letter of cross guarantee between the company, its subsidiary and Churngold Construction Holdings Limited. Additionally, the bank holds a letter of cross guarantee and debenture between the company, its subsidiary undertaking and Churngold Construction Holdings Limited in respect of bank borrowings.

20 Related party transactions

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the Churngold Remediation Holdings Limited group of companies for the year.

During the year the group undertook the following transactions and had amounts owing to/from members of the Churngold Construction Holdings Limited group, Churngold Recycling Limited and JWS Churngold Limited entities where J R Ancell is both a director and has an interest in more than 20% of the voting rights:

	Purchases £000	Sales £000	Owed to £000	Owed by £000
2010				
Churngold Construction Limited	447	80	271	25
Churngold Construction Holdings Limited	-	8	-	-
Churngold Recycling Limited	133	32	3	-
Churngold Surfacing Limited	-	6	86	1
JWS Churngold Limited	-	50	-	50
2009				
Churngold Construction Limited	147	42	16	24
Churngold Construction Holdings Limited	17	7	-	3
Churngold Recycling Limited	116	15	14	6
Churngold Surfacing Limited	-	5	-	1
JWS Churngold Limited	-	-	-	-

Included within loan stock balances (note 16) are amounts owed to directors and related parties as follows:

	2010 £000	2009 £000
G E Henderson (Director's spouse)	-	31

21 Share capital

Authorised share capital

	A Shares	B Shares	D Shares	E Shares	Deferred	Preference	Total
Number							
At 1 June 2009 and 31 May 2010	300,600	9,361	95,190	105,210	1	280,000	790,362
Value £000							
At 1 June 2009 and 31 May 2010	30	1	10	10	-	280	331

Allotted and called up

	A Shares	B Shares	D Shares	E Shares	Deferred	Preference	Total
Number							
At 1 June 2009 and 31 May 2010	300,600	-	95,190	105,210	1	280,000	781,001
Value £000							
At 1 June 2009 and 31 May 2010	30	-	10	10	-	280	330

22 Reserves

Profit and loss account

£000

Group

At 1 June 2009	(1,067)
Profit for the year	218
At 31 May 2010	(849)

Company

At 1 June 2009	(388)
Profit for the year	-
At 31 May 2010	(388)

23 Reconciliation of movements in shareholders' funds

	2010	2009
	£000	£000
Opening shareholders' (deficit)/funds	(737)	17
Profit/(loss) for the financial year	218	(934)
Issue of share capital	-	180
Closing shareholders' deficit	(519)	(737)

24 Capital commitments

The directors have confirmed that there were no capital commitments at 31 May 2010 or 31 May 2009.

25 Controlling related party

The directors consider that J R Ancell (Chairman) is the company's controlling related party by virtue of his majority beneficial shareholding.