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N H I (Caterham) Limited

FINANCIAL STATEMENTS

for the year ended

31 August 2007

SATURDAY



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28/06/2008
COMPANIES HOUSE

Company Registration No 3242560

N H I (Caterham) Limited

COMPANY INFORMATION

DIRECTORS	L F Brady J P Brady
SECRETARY	L F Brady
COMPANY NUMBER	3242560
REGISTERED OFFICE	The Old Barn The Square Shipham Winscombe Somerset BS25 1TN
ACCOUNTANTS	Baker Tilly Tax and Advisory Services LLP International House Queens Road Brighton East Sussex BN1 3XE

N H I (Caterham) Limited

DIRECTORS' REPORT

For the year ended 31 August 2007

The directors present their report and financial statements for the year ended 31 August 2007

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property management and letting

DIRECTORS

The following directors have held office since 1 September 2006

L F Brady

J P Brady

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the board

A handwritten signature in black ink, appearing to be 'L F Brady', written over a horizontal line.

L F Brady

N H I (Caterham) Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 August 2007

	Notes	2007 £	2006 £
TURNOVER		59,400	48,506
Other operating expenses	1	(46,337)	(47,035)
OPERATING PROFIT		13,063	1,471
Investment income	2	3,337	1,066
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	16,400	2,537
Taxation	4	(2,488)	-
PROFIT FOR THE YEAR	9	13,912	2,537

The profit and loss account has been prepared on the basis that all operations are continuing operations

N H I (Caterham) Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 31 August 2007

	Notes	2007 £	2006 £
Profit for the financial year		13,912	2,537
Unrealised surplus on revaluation of properties		285,000	-
Total recognised gains and losses relating to the year		<u>298,912</u>	<u>2,537</u>

N H I (Caterham) Limited

BALANCE SHEET

As at 31 August 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	5	1,095,472	830,000
CURRENT ASSETS			
Debtors	6	56,503	640
Cash at bank and in hand		33,309	98,003
		<u>89,812</u>	<u>98,643</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	7	<u>(20,615)</u>	<u>(42,885)</u>
NET CURRENT ASSETS		<u>69,197</u>	<u>55,758</u>
NET ASSETS		<u>1,164,669</u>	<u>885,758</u>
CAPITAL AND RESERVES			
Called up share capital	8	558	558
Share premium account	9	273,098	273,098
Revaluation reserve	9	559,789	559,789
Profit and loss account	9	331,224	52,313
SHAREHOLDERS' FUNDS	10	<u>1,164,669</u>	<u>885,758</u>

In preparing these financial statements

- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts 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 its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements on pages 2 to 11 were approved by the board of directors and authorised for issue on 24.8.2008 and are signed on its behalf by

L F Brady
DIRECTOR

N H I (Caterham) Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and leasehold properties

TURNOVER

Turnover represents the invoiced value of rents receivable in the year

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation 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

Plant and machinery	25% Straight Line
Fixtures, fittings & equipment	

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

CHANGES IN ACCOUNTING POLICIES

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

-the presentation requirements of FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

The change in accounting policy relates to the classification of shares according to the substance of the contractual arrangement. The adoption of the policy has not changed the classification of shares issued by the company between financial liabilities and equity instruments. Therefore adoption of FRS25 has had no impact on the presentation of the accounts in the current or previous year

Details in relation as to how the shares have been classified can be seen in the accounting policy for financial instruments

Where dividends are displayed has been changed following the adoption of FRS 25. Dividends were previously shown as a deduction from profit on the face of the profit and loss account. The dividends are now shown as a deduction from the reserves and can be seen in the notes to the accounts

N H I (Caterham) Limited

ACCOUNTING POLICIES (CONTINUED)

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.

N H I (Caterham) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2007

1	OTHER OPERATING EXPENSES	2007 £	2006 £
	Administrative expenses	46,337	47,035
2	INVESTMENT INCOME	2007 £	2006 £
	Bank interest	2,524	1,066
	Other interest	813	-
		3,337	1,066
3	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2007 £	2006 £
	Profit is stated after charging		
	Depreciation of tangible assets		
	- Owned assets	158	-
	Directors' emoluments	6,000	20,000

N H I (Caterham) Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2007

4	TAXATION	2007 £	2006 £
	UK Corporation tax		
	Current tax on profit of the period	2,488	-
	CURRENT TAX CHARGE	2,488	-
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	The tax assessed for the year is lower than the standard rate of corporation tax for small companies (20%) as explained below		
	Profit on ordinary activities before taxation	16,400	2,537
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2006 - 19.00%)	3,280	482
	Effects of		
	Non deductible expenses	5,468	503
	Depreciation add back	31	-
	Capital allowances	(63)	-
	Tax on management expenses relieved and carried forward	-	(985)
	Losses brought forward utilised	(6,154)	-
	Marginal tax relief	(74)	-
	CURRENT TAX CHARGE	2,488	-

The company has estimated losses of £ nil (2006 - £ 14,942) available for carry forward against future trading profits

N H I (Caterham) Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2007

5 TANGIBLE FIXED ASSETS

	Investment properties £	Plant and machinery £	Total £
COST OR VALUATION			
At 1 September 2006	830,000	2,698	832,698
Additions	-	630	630
Revaluation	265,000	-	265,000
At 31 August 2007	1,095,000	3,328	1,098,328
DEPRECIATION			
At 1 September 2006	-	2,698	2,698
Charge for the year	-	158	158
At 31 August 2007	-	2,856	2,856
NET BOOK VALUE			
At 31 August 2007	1,095,000	472	1,095,472
At 31 August 2006	830,000	-	830,000

Freehold properties were valued on 19 September 2007 at £1,095,000 on the basis of an open market valuation for existing use by Park and Bailey, Chartered Surveyors. If the revalued properties were to be sold at their carry value then UK corporation tax would be payable on any gain arising. The amount of tax that would be payable in these circumstances is unquantifiable at this time.

On an historical cost basis these fixed would have been included at

	Investment properties	
	2007 £	2006 £
COST		
At 1 September 2006 & at 31 August 2007	270,211	270,211
NET BOOK VALUE		
At 31 August 2007	270,211	270,211
At 31 August 2006	270,211	270,211

N H I (Caterham) Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2007

6	DEBTORS	2007 £	2006 £
	Other debtors	56,503	640
	Amounts falling due after more than one year and included in the debtors above are	2007 £	2006 £
	Other debtors	55,000	-
7	CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2007 £	2006 £
	Taxation and social security	5,443	5,432
	Other creditors	15,172	37,453
		20,615	42,885
8	SHARE CAPITAL	2007 £	2006 £
	AUTHORISED		
	1,000 Ordinary shares of £1 each	1,000	1,000
	ALLOTTED, CALLED UP AND FULLY PAID		
	558 Ordinary shares of £1 each	558	558
	EQUITY SHARES		
	558 Ordinary shares of £1 each	558	558

N H I (Caterham) Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2007

9 RESERVES

	Share premium account	Revaluation reserve	Profit and loss account
	£	£	£
Balance at 1 September 2006	273,098	559,789	52,312
Profit for the year	-	-	13,912
Transfer from revaluation reserve to profit and loss account	-	-	265,000
Balance at 31 August 2007	<u>273,098</u>	<u>559,789</u>	<u>331,224</u>

10 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	13,912	2,537
Opening shareholders' funds	<u>885,758</u>	<u>883,221</u>
Closing shareholders' funds	<u>1,164,669</u>	<u>885,758</u>

11 CONTROL

No one shareholder has ultimate control over the company

12 RELATED PARTY TRANSACTIONS

During the year, the company lent the MEA Rignall 1998 Discretionary Settlement £55,000. The settlor of the settlement was MEA Rignall, a shareholder of the company. The beneficiaries are L Brady, a director and shareholder of the company, M Rignall, a shareholder of the company and J Brady, a director of the company. Interest was chargeable on the loan at 5% until April 2007 and 6.25% thereafter. The loan is repayable in October 2009.