

**Report of the Directors and
Financial Statements
for the Year Ended 31 December 2008
for
Hugh James Investments Limited**



Hugh James Investments Limited

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for the Year Ended 31 December 2008**

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Hugh James Investments Limited
Company Information
for the Year Ended 31 December 2008

DIRECTORS:	G M Bulmer N H Bulmer
SECRETARY:	G M Bulmer
REGISTERED OFFICE:	Oak House Canon Pyon Herefordshire HR4 8NN
REGISTERED NUMBER:	01068525 (England and Wales)
AUDITORS:	Crowthers Chartered Accountants and Registered Auditors 10 The Southend Ledbury Herefordshire HR8 2EY

Hugh James Investments Limited

**Report of the Directors
for the Year Ended 31 December 2008**

The directors present their report with the financial statements of the company for the year ended 31 December 2008.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property investment.

DIRECTORS

The directors during the year under review were:

G M Bulmer
N H Bulmer

The directors holding office at 31 December 2008 did not hold any beneficial interest in the issued share capital of the company at 1 January 2008 or 31 December 2008.

The interests of the directors in the shares of the holding company are shown in the directors' report of that company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Crowthers Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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:



.....
G M Bulmer - Director

Date: **17 JUN 2009**
.....

**Report of the Independent Auditors to the Shareholders of
Hugh James Investments Limited**

We have audited the financial statements of Hugh James Investments Limited for the year ended 31 December 2008 on pages four to nine. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 a Report of the Auditors 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

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 on page two.

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 Report of the Directors 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

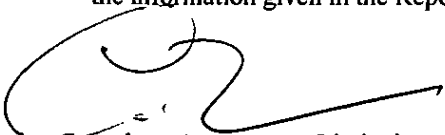
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2008 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 Report of the Directors is consistent with the financial statements.



Crowthers Accountants Limited
Chartered Accountants
and Registered Auditors
The Courtyard
19 High Street
Pershore
Worcestershire
WR10 1AA

17 June 2009

Hugh James Investments Limited

**Profit and Loss Account
for the Year Ended 31 December 2008**

	Notes	2008 £	2007 £
TURNOVER		85,324	85,093
Administrative expenses		44,567	56,631
OPERATING PROFIT	2	40,757	28,462
Interest receivable and similar income		8,777	6,410
		49,534	34,872
Interest payable and similar charges		233	9
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		49,301	34,863
Tax on profit on ordinary activities	3	10,231	59,838
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		39,070	(24,975)

The notes form part of these financial statements

Hugh James Investments Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 December 2008**

	2008 £	2007 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	39,070	(24,975)
Surplus on revaluation of Investment Properties	-	328,406
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>39,070</u>	<u>303,431</u>

The notes form part of these financial statements

Hugh James Investments Limited

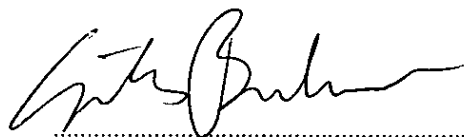
Balance Sheet 31 December 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Investment property	4	1,095,000	1,095,000
CURRENT ASSETS			
Debtors	5	15,535	9,261
Cash at bank		152,451	182,345
		<u>167,986</u>	<u>191,606</u>
CREDITORS			
Amounts falling due within one year	6	11,452	61,730
NET CURRENT ASSETS		<u>156,534</u>	<u>129,876</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,251,534</u>	<u>1,224,876</u>
CREDITORS			
Amounts falling due after more than one year	7	348,688	361,100
NET ASSETS		<u>902,846</u>	<u>863,776</u>
CAPITAL AND RESERVES			
Called up share capital	8	117,114	117,114
Revaluation reserve	9	690,882	690,882
Profit and loss account	9	94,850	55,780
SHAREHOLDERS' FUNDS		<u>902,846</u>	<u>863,776</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Directors on and were signed on its behalf by:

17 JUN 2009



G M Bulmer - Director

The notes form part of these financial statements

Hugh James Investments Limited

Notes to the Financial Statements for the Year Ended 31 December 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of the freehold property held as a fixed asset investment, and in accordance with the Financial Reporting Standard for Smaller Entities (effective Jan 2007).

Turnover

Turnover represents the amounts receivable for the year in respect of sales of properties, rents from properties and administration charges.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2008	2007
	£	£
Auditors' remuneration	813	668
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2008	2007
	£	£
Current tax:		
UK corporation tax	10,231	59,838
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	10,231	59,838
	<u> </u>	<u> </u>

Factors that may affect future tax charges

The company has property stated at valuation. The directors have no plans to dispose of this property in the foreseeable future, but if they were to do so, the company would incur a tax liability, estimated at current rates, amounting to £41,248 (2007: £43,090).

Hugh James Investments Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2008**

4. INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 January 2008	
and 31 December 2008	1,095,000
NET BOOK VALUE	
At 31 December 2008	1,095,000
At 31 December 2007	1,095,000

Cost or valuation at 31 December 2008 is represented by:

	£
Valuation in 1989	86,046
Valuation in 1994	(40,000)
Valuation in 2003	316,430
Valuation in 2007	328,406
Cost	404,118
	1,095,000

Investment property was valued on an open market basis on 31 December 2007 by the directors.

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade debtors	13,947	8,179
Other debtors	1,588	1,082
	15,535	9,261

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £	2007 £
Trade creditors	-	834
Taxation and social security	10,302	59,838
Other creditors	1,150	1,058
	11,452	61,730

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2008 £	2007 £
Amounts owed to group undertakings	348,688	361,100

Hugh James Investments Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2008

8. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008 £	2007 £
117,114	Ordinary	£1	<u>117,114</u>	<u>117,114</u>

9. RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 January 2008	55,780	690,882	746,662
Profit for the year	<u>39,070</u>		<u>39,070</u>
At 31 December 2008	<u>94,850</u>	<u>690,882</u>	<u>785,732</u>

10. ULTIMATE PARENT COMPANY

The company's ultimate holding company is The Hereford Dwellings Company Limited.

11. CONTINGENT LIABILITIES

The bank holds Legal Memoranda of Deposit in respect of the Company's freehold properties as security for its overdraft facility together with cross guarantees from and to the holding company and each fellow subsidiary group undertaking as security for the overdraft facilities granted to those undertakings. At 31 December 2008 neither the holding company or any of its fellow subsidiaries had an overdraft.

12. RELATED PARTY DISCLOSURES

During the year, administration charges from Hereford Dwellings Ltd, the holding company, amounted to £14,000 (2007 - £14,000). Details of balances with other group companies are not shown, as consolidated accounts of the holding company are publicly available.