

**FAHSTONE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2006**

**Company Number 2793501 (England and Wales)**



**FAHSTONE LIMITED**  
**FINANCIAL ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

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**FAHSTONE LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

The Directors present their annual report with the accounts of the Company for the year ended 31 March 2006.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires directors to prepare financial statements for each financial year which 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 those 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 a 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.

**PRINCIPAL ACTIVITY**

The principal activities of the Company in the period under review was the manufacture and sale of fitted furniture.

**REVIEW OF BUSINESS**

A summary of the results for the Period is given on page 3 of the accounts.  
The directors consider the state of affairs to be satisfactory.

**DIVIDENDS**

The directors recommend a dividend of NIL (2005 NIL) which leaves a profit of £27,763 to be added to retained earnings.

**DIRECTORS**

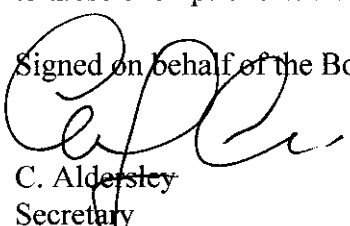
The Directors in office in the period and their beneficial interests in the Company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	2006	2005
Mr. W. Aldersley	1	1
Mrs. C. Aldersley	1	1

**SMALL COMPANY**

This report has been prepared taking advantage of the exemptions conferred by Part 2 of Schedule 8 of the Companies Act 1985, on the grounds that in the opinion of the directors the company is entitled to these exemptions as a small company.

Signed on behalf of the Board of Directors

  
C. Aldersley  
Secretary  
19 June 2006

## FAHSTONE LIMITED

### **Accountants Report to the Shareholders of Fahstone Limited**

We have examined, without carrying out an audit, the accounts for the year ended 31 March 2006 set out on pages 3 to 5.

#### **Respective responsibilities of directors and reporting accountants**

As described on page 4 the company's directors are responsible for the preparation of accounts and they believe that the company is exempt from an audit. It is our responsibility to examine the accounts and based on our examination to report our opinion, as set out below to the shareholders.

#### **Basis of opinion**


We conducted our examination in accordance with the appropriate standards for reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the company and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report.

The examination was not an audit conducted in accordance with Auditing standards. Accordingly, we do not express an audit opinion on the accounts. Therefore our examination does not provide any assurance that the accounting records and the accounts are free from material misstatement.

#### **Opinion**

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
  - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

John P. Murtagh & Co.,   
Chartered Certified Accountants & Registered Auditors,  
Baranald Cottage,  
Oldwich Lane East,  
Fen End,  
Nr. Kenilworth,  
Warwickshire.  
CV8 1NR  
20 June 2006

**FAHSTONE LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2006**

	<b><u>Notes</u></b>	<b><u>2006</u></b> <b><u>£</u></b>	<b><u>2005</u></b> <b><u>£</u></b>
<b>TURNOVER</b>	1.2	1,170,764	965,169
Cost of Sales		(802,922)	(660,803)
<b>GROSS PROFIT</b>		367,842	304,366
Administration Expenses		(332,565)	(289,074)
<b>OPERATING PROFIT</b>	2	35,277	15,292
Interest payable		(7,514)	(3,114)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		27,763	12,178
Tax on Ordinary Activities	3	(702)	(3,737)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		27,061	8,441
Dividend		-	-
		27,061	8,441

**STATEMENT OF RETAINED EARNINGS**

Retained Profit brought forward	244,732	236,291
Retained Profit for the year	27,061	8,441
<b>RETAINED PROFIT CARRIED FORWARD</b>	271,793	244,732

**STATEMENT OF RECOGNISED GAINS AND LOSSES**

The only gains and losses arising during the year are those identified in the above profit and loss account.

**FAHSTONE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2006**

	Notes	2006	2005
		£	£
<b>Fixed assets</b>			
Tangible assets	4	311,798	272,948
<b>Current assets</b>			
Stocks and work in progress		145,736	111,344
Stock of brochures		9,675	8,125
Debtors	5	120,013	115,061
Cash at bank and in hand		299	211
		-----	-----
		275,723	234,741
<b>Creditors:</b> amounts falling due within one year	6	(237,318)	(159,177)
		-----	-----
<b>Net current assets</b>		38,405	75,564
		-----	-----
<b>Total assets less current liabilities</b>		350,203	348,512
<b>Creditors:</b> amounts falling due after more than one year	7	(78,408)	(103,778)
		-----	-----
		271,795	244,734
		=====	=====
<b>Capital and reserves</b>			
Share capital	8	2	2
Profit and loss account		271,793	244,732
		-----	-----
Shareholders Funds	9	271,795	244,734
		-----	-----

The directors have taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1) (total exemption). The directors have confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts which give a true and fair view of the state of affairs of the company as at 31 March 2006 and of its results for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the act relating to the accounts so far as applicable to the company. The accounts were approved by the board on 19 June 2006 and signed on its behalf.

The directors have taken advantage of the exemptions conferred by Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is entitled to those exemptions as a small company.

**W. Aldersley**  
**Director**



The notes on pages 5 to 7 form part of these accounts.

**FAHSTONE LIMITED**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2006**

**1. ACCOUNTING POLICIES**

**1.1 Basis of accounting**

The accounts have been prepared in accordance with applicable accounting standards and under the historical accounting convention.

**1.2 Turnover**

Turnover

represents the net invoiced sale of goods, excluding V.A.T.

**1.3 Tangible Fixed Assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures	15% on cost
Plant and Equipment	15% on cost

**1.4 Cash Flow Statement**

The company has taken advantage of the exemption provided by Financial Reporting Standard No. 1 and has not prepared a Cash Flow Statement for the Period.

**2. OPERATING PROFIT**

The Operating Profit is stated after charging:

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Amount written off Tangible Fixed Assets	45,119	22,007
	<u>=====</u>	<u>=====</u>

**FAHSTONE LIMITED**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

**3. TAXATION**

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

	<b><u>2005</u></b>	<b><u>2004</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Other Tax	702	-
Corporation Tax	-	3,737
	-----	-----
	702	3,737
	=====	=====

Corporation tax has been calculated on the profit at 19% (2005 19%).

**4. TANGIBLE FIXED ASSETS**

	Plant Equipment	Fixtures & Fittings	TOTAL
	<b><u>£</u></b>	<b><u>£</u></b>	<b><u>£</u></b>
<b>COST OR VALUATION</b>			
At 1 April 2005	327,376	35,963	363,339
Additions	82,167	1,802	83,969
Disposals	-	-	-
	-----	-----	-----
At 31 March 2006	409,543	37,765	447,308
	=====	=====	=====
<b>DEPRECIATION</b>			
At 1 April 2005	76,219	14,172	90,391
Charge for the Period	41,581	3,538	45,119
	-----	-----	-----
At 31 March 2006	117,800	17,710	135,510
	-----	-----	-----
<b>NET BOOK VALUE</b>			
At 31 March 2006	291,743	20,055	311,798
	=====	=====	=====
At 31 March 2005	251,557	21,791	272,948
	=====	=====	=====



**FAHSTONE LIMITED**

**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**

<b>5. DEBTORS</b>	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
<b>Amounts due within one year:</b>		
Corporation Tax	-	8,963
Trade debtors	111,513	95,098
Other debtors	8,500	11,000
	-----	-----
	120,013	115,061
	=====	=====
 <b>6. CREDITORS</b>		
<b>Amounts falling due within one year:</b>	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Trade creditors	160,469	88,631
Social Security and other taxes	13,275	12,928
Directors loan account	-	961
Accruals	3,575	3,075
Hire Purchase	58,964	53,276
Bank overdraft	1,035	306
	-----	-----
	237,318	159,177
	=====	=====
	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
 <b>7. CREDITORS</b>		
<b>Amounts falling due after more than one year:</b>		
Hire Purchase	78,408	103,778
	=====	=====
 <b>8. SHARE CAPITAL</b>	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b><u>£</u></b>	<b><u>£</u></b>
Authorised	100	100
	=====	=====
Allotted, Issued and Fully Paid	2	2
	=====	=====
 <b>9. SHAREHOLDERS FUNDS</b>		
Brought forward	244,734	236,293
Retained Profit	27,061	8,441
	-----	-----
Carried forward at 31 March 2006	271,795	244,734
	=====	=====