

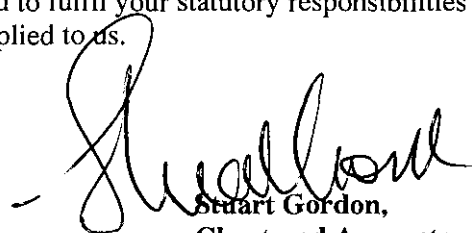
**ACCOUNTANTS REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS  
OF HARTSTON LIMITED**

Pursuant to Paragraph 10 of schedule 8 to the Companies Act 1985.

We have examined the attached accounts which have been modified from the financial statements of the company for the year ended 30<sup>th</sup> April 2006. The scope of our work was limited to determining whether the company was entitled to the benefit of sections 247 to 249 of the Companies Act 1985 and to an examination of the modified accounts and the annual financial statements on which they are based to confirm compliance with Schedule 8 to that Act. In our opinion the Directors are entitled under sections 247 to 249 of the Companies Act 1985 to deliver modified accounts in respect of the year ended 30<sup>th</sup> April 2006 and the attached modified accounts have been properly prepared in accordance with Schedule 8 to that Act.

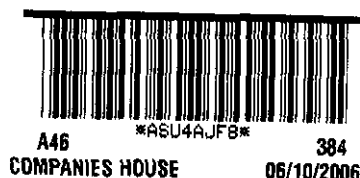
On 26th September 2006 we reported as reporting accountants of the company to the members on the full financial statements prepared under section 227 of the Companies Act 1985 for the year ended 30<sup>th</sup> April 2006 and our report was as follows :-

As described on the balance sheet, you are responsible for the preparation of the accounts for the year ended 30<sup>th</sup> April 2006, set out on page 3 to 5 and you consider that the company is exempt from an audit and a report under section 249A(2) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.



Stuart Gordon,  
Chartered Accountant,  
Suite 3,  
Capital House,  
Speke Hall Road,  
Hunts Cross,  
Liverpool,  
L24 9GB.

Date: 26<sup>th</sup> September 2006



# **HARTSTON LIMITED**

## **ABBREVIATED BALANCE SHEET AS AT 30th APRIL 2006**

	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible Assets	2		5386		6732
<b>Current assets</b>					
Stocks		27645		41158	
Debtors	3	67792		43444	
Cash at bank and in Hand		27253		23318	
		-----		-----	
		122690		107920	
<b>Creditors : amounts falling due within one year</b>	4	81361		69447	
		-----		-----	
<b>Net current assets</b>			41329		38473
<b>Total assets less current liabilities</b>			-----	-----	-----
			46715		45205
<b>Creditors : amounts falling due after more than one year</b>			-		-
			-----		-----
<b>Net Assets</b>			46715		45205
			=====		=====
<b>Capital and reserves</b>					
Called up share capital	5		2		2
Profit and Loss Account			46713		45203
			-----		-----
Shareholders' funds			46715		45205
			=====		=====

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of S.249A(1) of the Companies Act 1985. No notice requiring an audit for the year ended 30<sup>th</sup> April 2006 has been deposited under S.249B of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with S.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 the end of the financial year and of its profit for the year then ended in accordance with the requirements of S.226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the board on 26<sup>th</sup> September 2006 and signed on its behalf.

F.A.M. Buckler  
Director



The notes on pages 3 to 5 form part of these financial statements.

**HARTSTON LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30th APRIL 2006**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

The accounts have been prepared under the Historical Cost Convention and in accordance with applicable accounting standards.

**1.2 Turnover**

Turnover comprises the invoiced value of goods and services supplied by the company, net of valued added tax and trade discounts. None of the turnover was exported (2005 – nil).

**1.3 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 or valuation of fixed assets, less their estimated residual value, over their estimated useful lives on the following bases:

Fixtures and Fittings                      - 20% per annum on a reducing balance basis

**1.4 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 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 consistent periodic rate of charge on the net obligation outstanding in each period.

**1.5 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**1.6 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.

**1.7 Deferred Taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the near future.

**1.8 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 year.

# **HARTSTON LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30th APRIL 2006**

#### **2. Tangible fixed assets**

	<b><u>Fixtures &amp; Fittings</u></b>	<b><u>TOTAL</u></b>
<b>Cost</b>	<b>£</b>	<b>£</b>
At 1.5.2005		
Additions	26856	26856
Disposals	-	-
	-----	-----
At 30.4.2006	26856	26856
	-----	-----
<b>Depreciation</b>		
At 1.5.2005	20124	20124
Charge	1346	1346
Disposals	-	-
	-----	-----
At 30.4.2006	21470	21470
	-----	-----
Net Book Value at 30.4.2006	5386	5386
	=====	=====
Net Book Value at 1.5.2005	6732	6732
	=====	=====

Included above assets held under finance leases or hire purchase contracts amount to £ nil (2005 - nil).

#### **3. Debtors**

	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>	-	-
<b>Due within one year</b>		
Trade debtors	67255	42786
Prepayments and accrued income	537	658
	-----	-----
	67792	43444
	=====	=====

**HARTSTON LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>th</sup> APRIL 2006**

**4. Creditors: amounts falling due within one year**

	<b><u>2006</u></b>	<b><u>2005</u></b>
	<b>£</b>	<b>£</b>
Trade Creditors	19561	25743
Corporation tax	3111	859
Obligations under finance lease and hire purchase contracts	-	-
Other taxes and social security costs	9134	5632
Accruals and deferred income	1748	1710
Directors Current Accounts	47807	35503
	-----	-----
	81361	69447
	=====	=====

**5. Share Capital**

**Authorised**

Ordinary shares of £1 each

<b><u>2006</u></b>	<b><u>2005</u></b>
99	99
=====	=====

**Allotted, called up and fully paid**

Ordinary shares of £1 each

2	2
=====	=====