

**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 30th April 2005. 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 30th April 2005 and the attached modified accounts have been properly prepared in accordance with Schedule 8 to that Act.

On 22nd June 2005 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 30th April 2005 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 30th April 2005, 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: 22nd June 2005



HARTSTON LIMITED

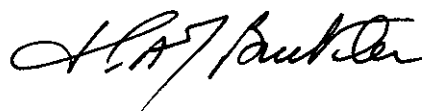
ABBREVIATED BALANCE SHEET AS AT 30th APRIL 2005

		<u>2005</u>	<u>2004</u>
	Notes	£	£
Fixed assets			
Tangible Assets	2	6732	6909
Current assets			
Stocks		41158	37297
Debtors	3	43444	51454
Cash at bank and in Hand		23318	24667
		-----	-----
		107920	113418
Creditors : amounts falling due within one year	4	69447	82114
		-----	-----
Net current assets		38473	31304
		-----	-----
Total assets less current liabilities		45205	38213
Creditors : amounts falling due after more than one year	5	-	-
		-----	-----
Net Assets		45205	38213
		=====	=====
Capital and reserves			
Called up share capital	6	2	2
Profit and Loss Account		45203	38211
		-----	-----
Shareholders' funds		45205	38213
		=====	=====

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 30th April 2005 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 22nd June 2005 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 2005

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 (2004 – 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 2005

2. Tangible fixed assets

	Fixtures & Fittings	TOTAL
Cost	£	£
At 1.5.2004	25350	25350
Additions	1506	1506
Disposals	-	-
	-----	-----
At 30.4.2005	26856	26856
	-----	-----
Depreciation		
At 1.5.2004	18441	18441
Charge	1683	1683
Disposals	-	-
	-----	-----
At 30.4.2005	20124	20124
	-----	-----
Net Book Value at 30.4.2005	6732	6732
	=====	=====
Net Book Value at 1.5.2004	6909	6909
	=====	=====

Included above assets held under finance leases or hire purchase contracts amount to £ nil
(2004 – nil)

3. Debtors

	2005	2004
	£	£
Due after more than one year	-	-
Due within one year		
Trade debtors	42786	51041
Prepayments and accrued income	658	413
	-----	-----
	43444	51454
	=====	=====

HARTSTON LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th APRIL 2005

4. Creditors: amounts falling due within one year

	<u>2005</u>	<u>2004</u>
	£	£
Trade Creditors	25743	29372
Corporation tax	859	9274
Obligations under finance lease and hire purchase contracts	-	-
Other taxes and social security costs	5632	5957
Accruals and deferred income	1710	2020
Directors Current Accounts	35503	35491
	-----	-----
	69447	82114
	=====	=====

5. Creditor: amounts falling due after more than one year

	<u>2005</u>	<u>2004</u>
	£	£
Obligations under finance leases and hire purchase contracts	-	-
	-----	-----
	-	-
	=====	=====

6. Share capital

Authorised

Ordinary shares of £1 each

<u>2005</u>	<u>2004</u>
99	99
=====	=====

Allotted, called up and fully paid

Ordinary shares of £1 each

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