

**REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**  
**FOR**  
**HALLAM FINANCIAL PLANNING LIMITED**



**ANTHONY DONNELLY & COMPANY**

**HALLAM FINANCIAL PLANNING LIMITED**

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**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

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**HALLAM FINANCIAL PLANNING LIMITED**  
**COMPANY INFORMATION**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**DIRECTORS:**

N Waistnidge  
C Thompson

**SECRETARY:**

N Waistnidge

**REGISTERED OFFICE:**

Daisy Walk  
Netherthorpe  
SHEFFIELD  
S3 7PJ

**REGISTERED NUMBER:**

5184724 (England and Wales)

**AUDITORS:**

Anthony Donnelly & Co  
Chartered Certified Accountants  
Registered Auditors  
Daisy Walk  
Netherthorpe  
SHEFFIELD  
South Yorkshire  
S3 7PJ

# **HALLAM FINANCIAL PLANNING LIMITED**

## **REPORT OF THE DIRECTORS** **FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

The directors present their report with the financial statements of the company for the period 20 July 2004 to 31 July 2005.

### **INCORPORATION**

The company was incorporated on 20 July 2004 and commenced trading on 20 August 2004.

### **PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of a financial advisers.

### **REVIEW OF BUSINESS**

The results for the period and financial position of the company are as shown in the annexed financial statements.

During the course of the period the company commenced trading and the directors were pleased with the company's position at the end of the period. The results for the period are shown on page 5. In the coming year the company intends to continue to trade. There have been no important events since the Balance Sheet date that affect the company.

### **DIVIDENDS**

An interim dividend of £20000 per share was paid on 24 March 2005. The directors recommend that no final dividend be paid.

The total distribution of dividends for the period ended 31 July 2005 will be £40,000.

### **DIRECTORS**

The directors during the period under review were:

N Waistnidge	- appointed 20.7.2004
C Thompson	- appointed 20.7.2004

The beneficial interests of the directors holding office on 31 July 2005 in the issued share capital of the company were as follows:

	31.7.05	at date of appointment
<b>Ordinary £1 shares</b>		
N Waistnidge	1	-
C Thompson	1	-

Both the directors, being eligible, offer themselves for election at the forthcoming first Annual General Meeting.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**HALLAM FINANCIAL PLANNING LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

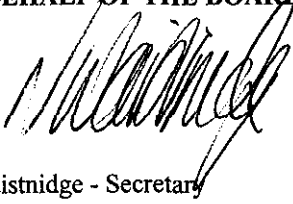
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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, Anthony Donnelly & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'N Waistnidge', is written over the text 'ON BEHALF OF THE BOARD:'.

N Waistnidge - Secretary

22 December 2005

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF**  
**HALLAM FINANCIAL PLANNING LIMITED**

We have audited the financial statements of Hallam Financial Planning Limited for the period ended 31 July 2005 on pages five to thirteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 an auditors' report 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**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 transactions with the company 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.

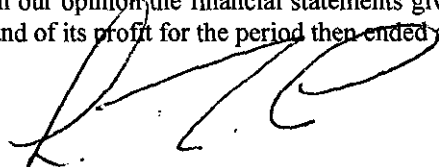
**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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 of the state of the company's affairs as at 31 July 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Anthony Donnelly & Co  
Chartered Certified Accountants  
Registered Auditors  
Daisy Walk  
Netherthorpe  
SHEFFIELD  
South Yorkshire  
S3 7PJ

22 December 2005

**HALLAM FINANCIAL PLANNING LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

	Notes	£
<b>TURNOVER</b>		158,308
Cost of sales		23,204
<b>GROSS PROFIT</b>		135,104
Administrative expenses		61,043
<b>OPERATING PROFIT</b>	3	74,061
Interest receivable and similar income		83
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		74,144
Tax on profit on ordinary activities	4	14,381
<b>PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION</b>		59,763
Dividends	5	40,000
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u>£19,763</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current period.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current period.

The notes form part of these financial statements

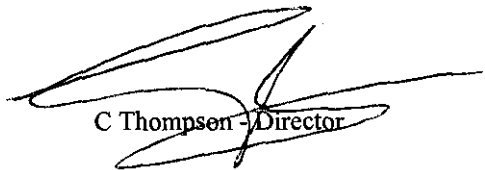
**HALLAM FINANCIAL PLANNING LIMITED**

**BALANCE SHEET**  
**31 JULY 2005**

	Notes	£	£
<b>FIXED ASSETS:</b>			
Tangible assets	6		3,069
<b>CURRENT ASSETS:</b>			
Debtors	7	59,787	
Cash at bank		18,409	
		<u>78,196</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	61,285	
		<u>61,285</u>	
<b>NET CURRENT ASSETS:</b>			<u>16,911</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			19,980
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	9		215
			<u>£19,765</u>
<b>CAPITAL AND RESERVES:</b>			
Called up share capital	10		2
Profit and loss account			<u>19,763</u>
<b>SHAREHOLDERS' FUNDS:</b>	11		<u>£19,765</u>

ON BEHALF OF THE BOARD:

  
N Waistnidge - Director

  
C Thompson - Director

Approved by the Board on 22 December 2005

The notes form part of these financial statements



**HALLAM FINANCIAL PLANNING LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

	Notes	£
Net cash inflow from operating activities	1	37,529
Returns on investments and servicing of finance	2	83
Capital expenditure	2	(3,746)
Equity dividends paid		(40,000)
		<u>(6,134)</u>
Financing	2	24,543
Increase in cash in the period		<u><u>£18,409</u></u>
<hr/>		
Reconciliation of net cash flow to movement in net debt	3	
Increase in cash in the period		<u>18,409</u>
Change in net debt resulting from cash flows		<u>18,409</u>
Movement in net debt in the period		<u>18,409</u>
Net debt at 20 July		<u>-</u>
Net funds at 31 July		<u><u>£18,409</u></u>

The notes form part of these financial statements

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	£
Operating profit	74,061
Depreciation charges	677
Increase in debtors	(59,787)
Increase in creditors	22,578
	<hr/>
<b>Net cash inflow from operating activities</b>	<b>37,529</b>
	<hr/>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	£
<b>Returns on investments and servicing of finance</b>	
Interest received	83
	<hr/>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>83</b>
	<hr/>
<b>Capital expenditure</b>	
Purchase of tangible fixed assets	(3,746)
	<hr/>
<b>Net cash outflow for capital expenditure</b>	<b>(3,746)</b>
	<hr/>
<b>Financing</b>	
Amount introduced by directors	26,622
Amount withdrawn by directors	(2,081)
Cash receipt re share issue	2
	<hr/>
<b>Net cash inflow from financing</b>	<b>24,543</b>
	<hr/>

The notes form part of these financial statements

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE CASH FLOW STATEMENT**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 20.7.04 £	Cash flow £	At 31.7.05 £
Net cash:			
Cash at bank	-	18,409	18,409
	-	18,409	18,409
<b>Total</b>	-	18,409	18,409
<b>Analysed in Balance Sheet</b>			
Cash at bank	-		18,409
	-		18,409

The notes form part of these financial statements

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

**Turnover**

Turnover represents commissions received.

**Tangible fixed assets**

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

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 20% on cost

**2. STAFF COSTS**

	£
Wages and salaries	23,224
Social security costs	1,060
	<hr/>
	24,284
	<hr/>

The average monthly number of employees during the period was as follows:

Administration	3
	<hr/>

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	£
Depreciation - owned assets	677
Auditors' remuneration	2,650
Non-audit work	664
	<hr/>
Directors' emoluments	3,438
	<hr/>

**4. TAXATION**

**Analysis of the tax charge**

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

	£
Current tax:	
UK corporation tax	14,166
Deferred taxation	215
	<hr/>
Tax on profit on ordinary activities	14,381
	<hr/>

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**4. TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	£
Profit on ordinary activities before tax	74,144
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19%	14,087
Effects of:	
Expenses not deductible for tax purposes	294
Capital allowances for period in excess of depreciation	(215)
Current tax charge	14,166

**5. DIVIDENDS**

	£
Equity shares:	
Interim - share type 1	40,000

**6. TANGIBLE FIXED ASSETS**

	Fixtures and fittings	Computer equipment	Totals
	£	£	£
<b>COST:</b>			
Additions	1,445	2,301	3,746
At 31 July 2005	1,445	2,301	3,746
<b>DEPRECIATION:</b>			
Charge for period	217	460	677
At 31 July 2005	217	460	677
<b>NET BOOK VALUE:</b>			
At 31 July 2005	1,228	1,841	3,069

**7. DEBTORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	£
Trade debtors	59,787

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**8. CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR**

	£
Trade creditors	4,953
Other creditors	10,000
Directors' current accounts	24,541
Social security & other taxes	340
Taxation	14,166
Accrued expenses	7,285
	<u>61,285</u>

**9. PROVISIONS FOR LIABILITIES AND CHARGES**

	£
Deferred taxation	<u>215</u>
	Deferred tax
	£
Movement in the period	<u>215</u>
Balance at 31 July 2005	<u>215</u>

Provided for :- Accelerated Capital Allowances

**10. CALLED UP SHARE CAPITAL**

Authorised:			
Number:	Class:	Nominal value:	£
1,000	Ordinary	£1	<u>1,000</u>
Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
2	Ordinary	£1	<u>2</u>

The following shares were allotted and fully paid for cash at par during the period:

2 Ordinary shares of £1 each

**HALLAM FINANCIAL PLANNING LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 20 JULY 2004 TO 31 JULY 2005**

**11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	£
Profit for the financial period	59,763
Dividends	(40,000)
	<hr/>
Issued share capital	19,763
	2
	<hr/>
Net addition to shareholders' funds	19,765
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	19,765
	<hr/> <hr/>
Equity interests	19,765
	<hr/> <hr/>