

DIRECTORS' REPORT

The directors have pleasure in submitting their report together with the financial statements for the period ended 31<sup>st</sup> December 2006

PRINCIPAL ACTIVITIES

The principal activities of the company are the letting of private and commercial premises and the provision of finance

DIRECTORS AND THEIR INTERESTS

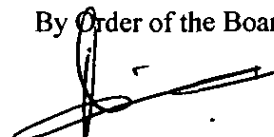
The directors of the company and their shareholdings are as follows -

	<u>Ordinary</u>		<u>'A' Ordinary Non-Voting</u>	
	<u>31/12/2006</u>	<u>31/3/2006</u>	<u>31/12/2006</u>	<u>31/3/2006</u>
A R Windows	1	1	17	17
Mrs C M Windows	1	1	27	27
M G N Windows	1	1	38	38
T A N Windows	1	1	38	38

One Ordinary and twenty "A" Ordinary Non-Voting shares are held jointly by Mrs C M Windows, M G N Windows and T A N Windows

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

By Order of the Board



A R WINDOWS

Director

26<sup>th</sup> April 2007

SATURDAY



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COMPANIES HOUSE

TELHART LIMITEDPROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31<sup>ST</sup> DECEMBER 2006

	<u>Note</u>	<u>31<sup>st</sup> Dec 2006</u> (9 months)	<u>31<sup>st</sup> Mar 2006</u> (12 months)
<u>TURNOVER</u>	4	2,000	2,000
Cost of Sales		-	-
Gross Profit		2,000	2,000
Administrative Expenses		(9,935)	(11,590)
Operating (Loss)		(7,935)	(9,590)
Other Operating Income			
Rental Income		9,915	10,011
Dividends Received		861	1,058
		2,841	1,479
Interest Receivable		1,493	1,831
<u>PROFIT BEFORE TAXATION</u>		4,334	3,310
Tax on Ordinary Activities	5	(964)	-
<u>PROFIT FOR THE FINANCIAL YEAR</u>	9	3,370	3,310
<u>RECOGNISED GAINS AND LOSSES</u>			
Profit for the financial year		3,370	3,310
Surplus on revaluation of investment properties	8	28,750	7,500
Total recognised gains & losses since last annual report		32,120	10,810

TELHART LIMITEDBALANCE SHEET AS AT 31<sup>ST</sup> DECEMBER 2006

	<u>Note</u>	<u>31<sup>st</sup> December 2006</u>	<u>31<sup>st</sup> March 2006</u>
<u>FIXED ASSETS</u>			
Tangible Assets	3	583,992	556,044
<u>CURRENT ASSETS</u>			
Other Debtors	6	42,443	21,470
Quoted Investments (Market Value £21,904)		5,891	5,891
Cash at Bank and in Hand		13,903	32,774
		<u>62,237</u>	<u>60,135</u>
<u>CREDITORS</u> Amounts falling due within one year			
Payments in Advance		1,205	1,379
Other Creditors		21	2,851
Corporation Tax		964	-
Other Taxation & Social Security		246	464
Accruals & Deferred Income		2,808	2,620
		<u>5,244</u>	<u>7,314</u>
Net Current Assets		56,993	52,821
Total Assets Less Current Liabilities		<u>640,985</u>	<u>608,865</u>
<u>CAPITAL AND RESERVES</u>			
Called Up Share Capital	7	82	82
Investment Property Revaluation Reserve	8	391,740	362,990
Profit & Loss Account	9	249,163	245,793
		<u>640,985</u>	<u>608,865</u>

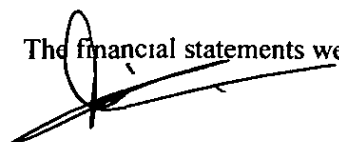
The financial statements are prepared in accordance with Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Small Entities (effective January 2005)

These accounts have not been audited because the company is entitled to exemption under S249A(1) of the Companies Act 1985 and no member or members have requested an audit pursuant to S249B(2)

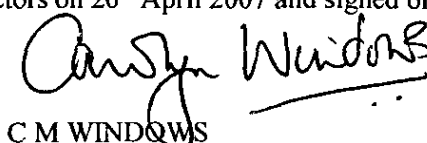
The directors acknowledge their responsibilities for:

- (i) Ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985 and,
- (ii) 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 or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

The financial statements were approved by the directors on 26<sup>th</sup> April 2007 and signed on their behalf by -



A R WINDOWS



C M WINDOWS

TELHART LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31<sup>ST</sup> DECEMBER 2006**1 STATEMENT OF DIRECTORS' RESPONSIBILITIES**

In respect of preparation of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the directors to prepare accounts 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 year. In preparing those accounts 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.

**2 ACCOUNTING POLICIES**

- a) The financial statements have been prepared on the historical cost basis of accounting.
- b) Turnover represents the value of services rendered during the year.
- c) Depreciation is provided on the reducing balance at 15-25% on fixtures and fittings. In accordance with SSAP 19, no depreciation is provided in respect of freehold investment property, a departure from the requirements of the Companies Act 1985. The directors consider the adoption of SSAP 19 is necessary in order that the accounts show a true and fair view.
- d) Investment property is revalued annually. Surpluses or deficits arising from these revaluations are taken to an investment property revaluation reserve.

<b>3</b>	<u><b>FIXED ASSETS</b></u>	<u><b>Tangible Assets</b></u>	<u><b>Investment Properties</b></u>	<u><b>Fixtures &amp; Fittings</b></u>	<u><b>TOTAL</b></u>
	<u><b>COST</b></u>				
	At 1 <sup>st</sup> April 2006	545,000	30,105	575,105	
	Revaluation this period	28,750	-	28,750	
	Additions at cost this year	-	1,050	1,050	
	As at 31 <sup>st</sup> Dec 2006	573,750	31,155	604,905	
	<u><b>AGGREGATE DEPRECIATION</b></u>				
	At 1 <sup>st</sup> April 2006	-	19,061	19,061	
	Charge for the Period	-	1,852	1,852	
	As at 31 <sup>st</sup> December 2006	-	20,913	20,913	
	<u><b>NET BOOK VALUE</b></u>				
	As at 31 <sup>st</sup> December 2006	573,750	10,242	583,992	
	As at 31 <sup>st</sup> March 2006	545,000	11,044	556,044	

The investment properties were revalued at their open market value in existing use by A R Windows, a director of the company, after consultation with professional valuers. If the property had not been revalued, it would have been included under the historical cost accounting rules at £182,010.

TELHART LIMITEDNOTES TO THE FINANCIAL STATEMENTS PERIOD ENDED 31<sup>ST</sup> DECEMBER 2006

Continued/

4 TURNOVER AND OPERATING (LOSS)

	<u>31<sup>st</sup> December 2006</u> (9 months)	<u>31<sup>st</sup> March 2006</u> (12 months)
Operating loss stated after charging -		
Directors Remuneration	3,920	7,392
Depreciation	1,852	2,095

5 TAXATION

Corporation tax	964	-
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6 OTHER DEBTORS

Other debtors include £1,499 (31<sup>st</sup> March 2006 Nil) owing by Mrs C M Windows to the company.

7. SHARE CAPITALAuthorised

9900 Ordinary Shares of £1 each	9,900	9,900
100 'A' Ordinary Shares of £1 each (non-voting)	100	100
	<u>10,000</u>	<u>10,000</u>

Allotted, Issued and Fully Paid

2 Ordinary Shares of £1 each	2	2
80 'A' Ordinary Shares of £1 each (non-voting)	80	80
	<u>82</u>	<u>82</u>

8 REVALUATION RESERVE

Balance as at 1 <sup>st</sup> April 2006	362,990
Revaluation this period	28,750

Balance as at 31 <sup>st</sup> December 2006	<u>391,740</u>
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9. PROFIT AND LOSS ACCOUNT

As at 31 <sup>st</sup> March 2006	245,793
Profit retained in the period	3,370

As at 31 <sup>st</sup> December 2006	<u>249,163</u>
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10 CONTROLLING INTEREST

The Company was controlled during the year by Mr A R and Mrs CM Windows