

HARAN LIMITED

COMPANY NUMBER 2675793

DIRECTORS' REPORT AND ACCOUNTS

for the year ended

30 APRIL 2008



STEPHEN J BRIGHT
CHARTERED ACCOUNTANT
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EXETER EX4 4JQ

HARAN LIMITED
COMPANY NUMBER 2675793

REPORT OF THE DIRECTORS

The directors of Haran Limited present their annual report together with the financial statements for the company for the year ended 30 April 2008.

1 PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year has continued to be those of property development together with the letting of property.

2 PROFIT FOR THE YEAR AND DIVIDEND

The profit on ordinary activities after taxation for the year amounted to £56,181 (2007 £8,080).

The directors are recommending a final dividend of £17,400 (2007 £15,000) per share payable on 3 March 2009.

After making provision for this dividend the distributable reserves of the company as at 30 April 2008 would amount to £52,112 (2007 £30,731).

Detailed movements on reserves are given in note 14 to the financial statements.

3 DIRECTORS

The directors of the company throughout the year were Mr R Huntley and Mrs A Roberts-Huntley

4 TANGIBLE FIXED ASSETS

The changes in tangible fixed assets during the year are summarised in note 7 to the financial statements.

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HARAN LIMITED
COMPANY NUMBER 2675793

REPORT OF THE DIRECTORS (CONT.)

5 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;
- * 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.

6 AUDITORS

The company is exempt from audit under the provisions of Section 249A of the Companies Act 1985. No auditors have therefore been appointed by the company.

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

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R Huntley', is written over a horizontal line.

R Huntley
Director

18 February 2009

HARAN LTD
 COMPANY NUMBER 2675793
 PROFIT AND LOSS ACCOUNT FOR THE
 YEAR ENDED 30 APRIL 2008

	Note	2008 £	2007 £
TURNOVER	1(b)	375,005	32,157
Cost of Sales		294,399	2,664
		<hr/>	<hr/>
GROSS PROFIT		80,606	29,493
Administration expenses		17,033	15,633
		<hr/>	<hr/>
OPERATING PROFIT	3	63,573	13,860
Profit on disposal of freehold property		0	0
Interest payable	4	(4,725)	(7,783)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		58,848	6,077
Taxation	5	2,667	(2,003)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	14	56,181	8,080

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2008 £	2007 £
Profit for the financial year	56,181	8,080
Surplus on revaluation	0	0
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	56,181	8,080

The notes on pages 5 to 10 form part of these financial statements

HARAN LTD
 COMPANY NUMBER 2675793
 BALANCE SHEET AS AT
 30 APRIL 2008

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	7	306,903	115,478
CURRENT ASSETS			
Stocks	8	0	259,827
Debtors	9	275,491	289,398
Cash at bank and in hand		58,000	0
		333,491	549,225
CREDITORS:			
AMOUNTS FALLING DUE WITHIN ONE YEAR	10	136,271	374,989
NET CURRENT ASSETS		197,220	174,236
TOTAL ASSETS LESS CURRENT LIABILITIES		504,123	289,714
CREDITORS:			
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11	380,094	191,866
		124,029	97,848
		=====	=====
CAPITAL AND RESERVES			
Called up share capital	13	2	2
Revaluation reserve	14	37,115	37,115
Profit and loss account	14	86,912	60,731
SHAREHOLDERS' FUNDS (Equity interests)		124,029	97,848
		=====	=====

For the financial year ended 30 April 2008, the company was entitled to exemption from audit under section 249A(1) Companies Act 1985 and no notice has been deposited under section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act 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 period and of its profit or loss for the financial period in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board on 18 February 2009



R Huntley, Director

The notes on pages 5 to 10 form part of these financial statements

HARAN LTD
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 APRIL 2008

1 ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

b) Turnover

Turnover comprises the invoiced value of sales excluding value added tax. Turnover from property sales is included where the asset concerned is not held for long-term investment purposes.

e) Depreciation

Depreciation is calculated to write off the cost of all tangible assets over their estimated useful lives on the reducing balance basis. The rates applicable are:

Furniture	15% per annum.
Plant and machinery	25% per annum.
Computer equipment	30% per annum.

No depreciation is provided on freehold buildings all of which are held for investment.

e) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

f) Dividends

Dividends are recognised in the financial statements when the shareholders' right to receive payment has been established.

2. TURNOVER

The entire turnover arises from sales made to customers in the United Kingdom. It comprises

	2008 £	2007 £
Rental income	23,920	22,455
Retail	0	27,196
Development projects	325,000	0
Building services	26,085	0
	<hr/> 375,005	<hr/> 49,651

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2008 (CONT.)

3. OPERATING PROFIT

The operating profit is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets	712	1,037
Loss on disposal of tangible fixed assets	209	248
Directors' remuneration and after crediting:	9,600	9,050
Rents receivable	23,920	22,455
	<hr/>	<hr/>

4. INTEREST PAYABLE

	2008 £	2007 £
Bank overdraft interest	2,311	1,329
Interest on loans repayable in more than five years by instalments	14,167	12,954
Other loans repayable in more than five years	8,712	0
Other loans	0	8,710
	<hr/>	<hr/>
	25,190	22,993
less: interest receivable	20,465	15,210
	<hr/>	<hr/>
	4,725	7,783

HARAN LTD
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 APRIL 2008 (CONT.)

5. TAXATION

	2008 £	2007 £
UK corporation tax	7,299	441
Advance corporation tax	(4,634)	(3,847)
Interest on overdue tax	2	1,403
	<u>2,667</u>	<u>(2,003)</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applicable to small companies (19.1%). The difference is explained below:

	2008 £	2007 £
Profit on ordinary activities before tax	<u>58,848</u>	<u>6,077</u>
UK corporation tax at 20.1% (2007 19.1%)	11,818	1,160
Effects of:		
Capital allowances in excess of depreciation	1	17
Effect of losses	(4,490)	(452)
Expenses not deductible for tax purposes	(30)	(48)
Effect of chargeable gains differing accounts and tax treatments	0	0
Other items	0	(236)
	<u>7,299</u>	<u>441</u>

6. DIVIDENDS

	2008 £	2007 £
Net dividends per ordinary share paid in the year		
Final £15,000 (2007 £15,000)	<u>30,000</u>	<u>30,000</u>
	<u>30,000</u>	<u>30,000</u>

During the year the company adopted Financial Reporting Standard 21 (FRS 21). As a result proposed dividends are no longer recognised as a liability until such time as they are approved by the members of the company in general meeting.

The directors will however be recommending that a final dividend amounting to £17,400 (2007 £15,000) per share be paid on 3 March 2009 to members on the share register on that date and a resolution to this effect will be put before the members for approval at the forthcoming Annual General Meeting.

During the year Mr R Huntley and Mrs A Roberts-Huntley, the directors of the company, each received dividends amounting to £15,000.

HARAN LTD
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 APRIL 2008 (CONT.)

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Machinery £	TOTAL £
COST OR VALUATION			
As at 1 May 2007	112,639	22,694	135,333
Additions	192,346	0	192,346
Disposals	0	(633)	(633)
As at 30 April 2008	304,985	22,061	327,046
DEPRECIATION			
As at 1 May 2007	0	19,855	19,855
Provided	0	712	712
Eliminated	0	(424)	(424)
As at 30 April 2008	0	20,143	20,143
NET BOOK VALUE			
As at 30 April 2008	304,985	1,918	306,903
As at 30 April 2007	112,639	2,839	115,478

Cost or valuation as at 30 April 2008 is represented by:

	Freehold Property £	Plant & Machinery £	TOTAL £
Cost	267,870	22,061	289,931
Revaluation surplus (1998)	37,115	0	37,115
	304,985	22,061	327,046

8. STOCKS

	2008 £	2007 £
Properties undergoing development for re-sale	0	259,827

9. DEBTORS

	2008 £	2007 £
Trade debtors	3,841	0
Other debtors	4,634	3,847
Director's loan (note 15)	267,016	285,551
	275,491	289,398

HARAN LTD
 NOTES TO THE FINANCIAL STATEMENTS FOR THE
 YEAR ENDED 30 APRIL 2008 (CONT.)

10. CREDITORS: AMOUNTS FALLING DUE
 WITHIN ONE YEAR

	2008 £	2007 £
Trade creditors	165	1,493
Bank overdrafts (secured)	45,277	28,453
Bank loan (secured)	4,894	231,263
Accruals	1,595	1,759
Corporation tax	7,299	51,467
Other taxation and social security	2,432	543
Directors' loans	74,609	60,011
	<u>136,271</u>	<u>374,989</u>

The bank loans and overdrafts are secured on the freehold properties.

11. CREDITORS: AMOUNTS FALLING DUE
 AFTER MORE THAN ONE YEAR

	2008 £	2007 £
Bank loans and overdrafts (secured):		
Amounts falling due repayable		
by instalments:		
Between one and five years	23,327	23,056
In more than five years	356,767	168,810
	<u>380,094</u>	<u>191,866</u>

The bank loans and overdrafts are secured on the freehold properties.

12. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation:	2008 £	2007 £
Accelerated capital allowances	0	0
Revalued properties	7,794	7,052
	<u>7,794</u>	<u>7,052</u>
less: amounts not provided	7,794	7,052
	<u>0</u>	<u>0</u>
	=====	=====

HARAN LTD
NOTES TO THE FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 APRIL 2008 (CONT.)

13. CALLED UP SHARE CAPITAL

	2008 £	2007 £
AUTHORISED		
1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
ALLOTTED, CALLED UP AND FULLY PAID		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

The company's entire share capital is controlled by Mr and Mrs R Huntley

14. RESERVES

	Profit & Loss account £	Revaluation Reserve £	TOTAL £
As at 1 May 2007	60,731	37,115	97,846
Realisation on disposal	0	0	0
Profit for the year	56,181	0	56,181
Dividends (note 6)	(30,000)	0	(30,000)
	<hr/>	<hr/>	<hr/>
As at 30 April 2008	86,912	37,115	124,027
	<hr/>	<hr/>	<hr/>

15. TRANSACTIONS WITH DIRECTORS

During the year the company's letting properties were managed by Hometrust Property Services Limited, a company under the control of the directors. During the year the company received rents amounting to £23,920 (2007 £22,455) under this arrangement and paid £2,821 (2007 £2,664) by way of commission for it.

At various times during the year the company advanced funds to Mr R Huntley a director of the company. Details of the advances made were as follows:

	£
Maximum advance	339,548
	<hr/>
Balance outstanding as at 30 April 2008	267,016
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Interest is charged by the company on the balance of the loan at the Official Rate set for income tax purposes.