

D.G.H. Group Limited
Unaudited abbreviated accounts
for the year ended 31 December 2005



Wilson Sandford & Co

CHARTERED ACCOUNTANTS

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UK200Group

D.G.H. Group Limited

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**Chartered Accountants' report to the directors on the
unaudited financial statements of D.G.H. Group Limited**

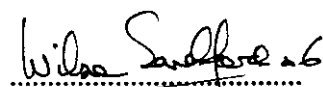
In accordance with the engagement letter dated 14 February 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes, on pages 3-5, from the accounting records and information and explanations you have given to us.

This report is made to the company's in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's that we have done so, and state those matters that we have agreed to state to in this 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 for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 December 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Wilson Sandford & Co
Chartered Accountants & UK200 Group Members and
Registered Auditors

85 Church Road
Hove
East Sussex
BN3 2BB

24-7-06
Date

D.G.H. Group Limited

Abbreviated balance sheet as at 31 December 2005

		2005		2004	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	2		22,009		40,269
Investments	2		10		10
			<u>22,019</u>		<u>40,279</u>
Current assets					
Stocks		64,544		70,353	
Debtors		110,716		109,364	
Cash at bank and in hand		638		5,024	
		<u>175,898</u>		<u>184,741</u>	
Creditors: amounts falling due within one year	3	(123,496)		(93,583)	
Net current assets			<u>52,402</u>		<u>91,158</u>
Total assets less current liabilities			<u>74,421</u>		<u>131,437</u>
Provisions for liabilities and charges			-		(937)
Net assets			<u><u>74,421</u></u>		<u><u>130,500</u></u>
Capital and reserves					
Called up share capital	4		10,000		10,000
Profit and loss account			64,421		120,500
Shareholders' funds			<u><u>74,421</u></u>		<u><u>130,500</u></u>

The directors are satisfied that the company was entitled to exemption under subsection (1) of section 249A of the Companies Act 1985 and that members have not required an audit in accordance with subsection (2) of section 249B.

The directors acknowledge their responsibilities for

- (1) ensuring that the company keeps accounting records which comply with Section 221 ; and
- (2) preparing financial statements 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board on 20-01-06 and signed on its behalf by


D.G. HAWKINS
DIRECTOR

D.G.H. Group Limited

Notes to the abbreviated financial statements for the year ended 31 December 2005

1. Accounting policies

The principal accounting policies adopted in the presentation of the financial statements are set out below and have remained unchanged from the previous period, and also have been consistently applied within the same accounts.

1.1. Basis of preparation of financial statements

The full financial statements were prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.2. Turnover

Turnover represents the total value, excluding value added tax, of goods and services provided during the year.

1.3. Tangible fixed assets and depreciation

Depreciation has been computed to write off the cost of each asset over its expected useful life using the following rates:

Plant and machinery	- 15% per annum of net book value
Fixtures, fittings & equipment	- 15 % per annum of net book value
Motor vehicles	- 25% per annum of net book value
Computer equipment	- 25% per annum of cost

1.4. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5. Stocks

Stocks have been valued at the lower of cost and net realisable value.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences between the treatment of certain items for accounts and tax purposes, that have originated but not reversed by the balance sheet date. No provision is made for taxation on permanent differences. Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

Deferred tax is not discounted to reflect the present value of future cashflows.

1.8. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

D.G.H. Group Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2005**

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2. Fixed assets

	Tangible fixed assets	Investment properties
Cost		
At 1 January 2005	124,621	10
Disposals	(28,105)	-
At 31 December 2005	<u>96,516</u>	<u>10</u>
Depreciation and		
At 1 January 2005	84,352	-
On disposals	(16,743)	-
Charge for year	6,898	-
At 31 December 2005	<u>74,507</u>	<u>-</u>
Net book values		
At 31 December 2005	<u>22,009</u>	<u>10</u>
At 31 December 2004	<u>40,269</u>	<u>10</u>

2.1. Investment details

	2005 £	2004 £
Subsidiary undertaking	<u>10</u>	<u>10</u>

Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held Class	%
Subsidiary undertaking				
Carpet Sales Ltd	England & Wales	Dormant	Ordinary £1 Shares	100%
Horsham Floorings & Furnishings Ltd	England & Wales	Dormant	Ordinary £1 Shares	100%
Floorsales Ltd	England & Wales	Dormant	Ordinary £1 Shares	100%

3. Creditors

	2005 £	2004 £
Creditors include the following:		
Secured creditors	<u>19,516</u>	<u>-</u>

D.G.H. Group Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2005**

..... continued

4. Share capital

	2005	2004
Authorised	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

5. Transactions with directors

- 5.1.** The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum
	2005	2004	in year
	£	£	£
M.R.Bridle	770	524	770
D.G.Hawkins	<u>12,073</u>	<u>2,417</u>	<u>12,073</u>

- 5.2.** During the year the Company paid £40,000 (2004: £40,000) to D G Hawkins for the rental of the company's business premises, which was considered to be fair commercial rent. No amount was outstanding as 31 December 2005. Goods purchased by the directors' during the year amounted to £770. Purchases are made under normal commercial trading and were fully paid for at the year end.