

**COLT HOLDINGS LIMITED**

**ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2007**

**Company Number: 3855700**



# **COLT HOLDINGS LIMITED**

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## COLT HOLDINGS LIMITED

### REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2007

The directors present their report and the audited financial statements for the year ended 31st December 2007

#### Principal activities

The principal activities of the company are those of a holding company and property investment company

#### Business review

The company has had a successful year. The company achieved an operating profit of £122,496 and at the year end it was well placed to continue this profitable trend. Sufficient working capital is in place to support the company's activities. The board believes that the company's strategy together with its experienced management will be a solid foundation for continued successful business performance.

	2007	2006	2005	2004
Operating profit	122,496	130,806	130,686	126,573
Shareholders' funds	4,763,797	4,379,882	3,750,124	3,444,113

#### Principal risks and uncertainties

Risks associated with letting property include finding appropriate tenants and tenants not paying rent as it falls due. These risks are minimised by leasing property to reputable businesses and regular monitoring of the amounts due to the company. Part of the company's property is leased to its profitable subsidiary company further reducing the risk from this source of income.

#### Financial instruments

The company's principal financial instruments comprise bank balances and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's working capital.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

#### Dividends

The directors do not recommend payment of a final dividend (2006 Nil)

#### Directors

The directors who served during the year are as stated below

George Telford

Glenn Telford

Ian Telford

Andrew Warvill (appointed 31/10/2007)

## **COLT HOLDINGS LIMITED**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2007**

#### **Directors' responsibilities for the financial statements**

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 year. In preparing these financial statements, the directors are required to

- a) select suitable accounting policies and then apply them consistently,
- b) make judgements and estimates that are reasonable and prudent,
- c) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d) 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.

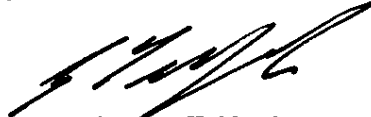
#### **Statement as to disclosure of information to auditors**

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**

A resolution to re-appoint Messrs Dutton Moore as auditors will be put to the members at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD**



**George Telford  
DIRECTOR**

**14TH APRIL 2008**

**INDEPENDENT AUDITORS' REPORT TO COLT HOLDINGS LIMITED**

**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 4 to 14 together with the financial statements of Colt Holdings Limited for the year ended 31st December 2007 prepared under Section 226 of the Companies Act 1985

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the abbreviated accounts are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2006/3 'The special auditor's report on abbreviated accounts in the United Kingdom' issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 December 2007, and the abbreviated accounts on pages 4 to 14 are properly prepared in accordance with that provision.

*Dutton Moore*

**HULL  
14TH APRIL 2008**

**DUTTON MOORE  
CHARTERED ACCOUNTANTS  
AND REGISTERED AUDITORS**

**COLT HOLDINGS LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2007**

		2007	2006
	Notes	£	£
<b>Gross profit</b>		127,174	131,352
Administrative expenses		(4,678)	(546)
<b>Operating profit</b>		122,496	130,806
Investment income	2	200,000	-
Interest receivable and similar income	3	-	2,277
Interest payable and similar charges	4	-	(8)
<b>Profit on ordinary activities before taxation</b>		322,496	133,075
Tax on profit on ordinary activities	5	61,419	(26,202)
<b>Profit on ordinary activities after taxation</b>		383,915	106,873
<b>Retained profit brought forward</b>		2,316,997	2,210,124
<b>Retained profit carried forward</b>		<u>2,700,912</u>	<u>2,316,997</u>

All of the activities undertaken by the company during 2007 and 2006 are continuing activities

The notes on pages 8 to 14 form part of these accounts

**COLT HOLDINGS LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**FOR THE YEAR ENDED 31ST DECEMBER 2007**

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Profit on ordinary activities after taxation</b>	383,915	106,873
Unrealised movement on revaluation of property	-	522,885
<b>Total recognised gains since last annual report</b>	<u>383,915</u>	<u>629,758</u>

The notes on pages 8 to 14 form part of these accounts

**COLT HOLDINGS LIMITED**

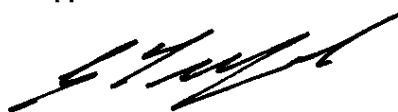
**BALANCE SHEET**

**AS AT 31ST DECEMBER 2007**

	Notes	2007		2006	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	6		1,600,000		1,600,000
Investments	7		2,010,001		2,010,001
			<u>3,610,001</u>		<u>3,610,001</u>
<b>Current Assets</b>					
Debtors	8	221,185		10,614	
Cash at bank and in hand		960,688		866,396	
		<u>1,181,873</u>		<u>877,010</u>	
<b>Creditors: amounts falling due within one year</b>	9	(28,077)		(26,603)	
<b>Net Current Assets</b>			<u>1,153,796</u>		<u>850,407</u>
<b>Total Assets Less Current Liabilities</b>			4,763,797		4,460,408
<b>Provisions for Liabilities</b>	10		-		(80,526)
			<u>4,763,797</u>		<u>4,379,882</u>
<b>Capital and Reserves</b>					
Called up share capital	12		68,200		68,200
Share premium account	13		1,471,800		1,471,800
Revaluation reserve	13		522,885		522,885
Profit and loss account	13		2,700,912		2,316,997
<b>Shareholders' Funds</b>	14		<u>4,763,797</u>		<u>4,379,882</u>

The abbreviated financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

Approved on behalf of the Board



**George Telford**  
Director

DATED 14TH APRIL 2008

The notes on pages 8 to 14 form part of these accounts



**COLT HOLDINGS LIMITED**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31ST DECEMBER 2007**

	Notes	2007 £	2006 £
<b>Reconciliation of operating profit to net cash (outflow)/inflow from operating activities</b>			
Operating profit		122,496	130,806
(Increase)/decrease in debtors		(210,571)	626,987
Increase/(decrease) in creditors		3,347	(5,752)
<b>Net cash (outflow)/inflow from operating activities</b>		<u>(84,728)</u>	<u>752,041</u>

**CASH FLOW STATEMENT**

Net cash (outflow)/inflow from operating activities		(84,728)	752,041
Returns on investments and servicing of finance	17	200,000	2,269
Taxation	17	(20,980)	(18,954)
<b>Increase in cash in the year</b>		<u>94,292</u>	<u>735,356</u>

**Reconciliation of net cash flow to movement in net funds**

<b>Increase in cash in the year</b>		94,292	735,356
<b>Net funds at 1st January 2007</b>	18	866,396	131,040
<b>Net funds at 31st December 2007</b>	18	<u>960,688</u>	<u>866,396</u>

# COLT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 2007

#### 1 Principal accounting policies

**1.1** The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

#### 1.2 Accounts

Accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

#### 1.3 Turnover

Turnover is the amount receivable by the company, exclusive of VAT, in respect of rental income.

#### 1.4 Investment properties

Investment properties are included in the balance sheet at their open market valuation. Depreciation is not provided on investment properties. The properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view.

#### 1.5 Investments

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

#### 1.6 Deferred taxation

Provision is made for taxation deferred in respect of all material timing differences.

#### 1.7 Group accounts

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

#### 2 Investment income

	2007 £	2006 £
Income from subsidiary undertakings	<u>200,000</u>	<u>-</u>

#### 3 Interest receivable and similar income

	2007 £	2006 £
Bank interest	<u>-</u>	<u>2,277</u>

**COLT HOLDINGS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2007**

<b>4</b>	<b>Interest payable and similar charges</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Bank interest	-	8
		<u>          </u>	<u>          </u>
<b>5</b>	<b>Tax on profit on ordinary activities</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	<b>UK current year taxation</b>		
	UK corporation tax	19,107	20,980
	<b>Deferred taxation</b>		
	Transfer (from)/to deferred taxation provision	(80,526)	5,222
		<u>(61,419)</u>	<u>26,202</u>
	<b>Factors affecting tax charge for the year</b>		
	Profit on ordinary activities before tax	<u>322,496</u>	<u>133,075</u>
	Profit on ordinary activities at the applicable rate of UK corporation tax	63,693	39,923
	Effects of		
	Disallowable expenses	339	135
	Capital allowances for period in excess of depreciation	(5,425)	(8,243)
	Marginal reliefs	-	(10,835)
	Income from shares in group undertaking not taxable	<u>(39,500)</u>	<u>-</u>
	UK corporation tax	<u>19,107</u>	<u>20,980</u>

**COLT HOLDINGS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2007**

**6 Tangible fixed assets**

	<b>Freehold investment properties £</b>	<b>Total £</b>
<b>Cost or valuation</b>		
At 1st January 2007 and 31st December 2007	1,600,000	1,600,000
<b>Net book values</b>		
At 31st December 2007	1,600,000	1,600,000
At 31st December 2006	1,600,000	1,600,000

The freehold investment properties were valued on an open market basis at 27th November 2006 by Mark Walker, Chartered Surveyor. The directors consider that the market value would not be significantly different to the open market value at 31st December 2007.

On a historical cost basis the net book value of investment properties carried at a valuation is £1,077,115 (2006 £1,077,115), comprising cost of £1,077,115 (2006 £1,077,015) and related depreciation of £ nil (2006 £ nil).

**7 Fixed asset investments**

	<b>Subsidiary undertakings shares £</b>
<b>Cost</b>	
At 1st January 2007 and 31st December 2007	2,010,001
<b>Net book values</b>	
At 31st December 2007	2,010,001
At 31st December 2006	2,010,001

# COLT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 2007

#### 7.1 Holdings of 20% or more

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

Company	Country of incorporation	Nature of business	% Ordinary shares held
<b>Subsidiary undertaking</b>			
Colt Industrial Services Limited	England	Industrial Services	100
Colt Construction Limited	England	Construction	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit after tax for the year £
Colt Industrial Services Limited	1,662,720	215,340
Colt Construction Limited	<u>417,952</u>	<u>105,026</u>

8 Debtors	2007 £	2006 £
Trade debtors	1,175	10,604
Amounts owed by group undertakings	200,000	-
Amount owed by related undertaking	20,000	-
Prepayments and accrued income	10	10
	<u>221,185</u>	<u>10,614</u>

9 Creditors: amounts falling due within one year	2007 £	2006 £
Corporation tax	19,107	20,980
Other taxes and social security costs	5,556	5,623
Accruals and deferred income	3,414	-
	<u>28,077</u>	<u>26,603</u>

**COLT HOLDINGS LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2007**

**10 Provisions for liabilities**

	<b>Deferred taxation £</b>
At 1st January 2007	80,526
Movement during the year	<u>(80,526)</u>
At 31st December 2007	<u><u>-</u></u>

No provision for deferred tax is required

**11 Security**

The bank holds a mortgage over the company's freehold properties and fixed and floating charges over all assets of the company

<b>12 Called up share capital</b>	<b>2007 £</b>	<b>2006 £</b>
<b>Authorised equity</b>		
100,000 Ordinary £1 shares	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid equity</b>		
68,200 Ordinary £1 shares	<u><u>68,200</u></u>	<u><u>68,200</u></u>

**13 Equity reserves**

	<b>Share premium account £</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
At 1st January 2007	1,471,800	522,885	2,316,997	4,311,682
Profit after tax for the year	<u>-</u>	<u>-</u>	<u>383,915</u>	<u>383,915</u>
At 31st December 2007	<u><u>1,471,800</u></u>	<u><u>522,885</u></u>	<u><u>2,700,912</u></u>	<u><u>4,695,597</u></u>

# COLT HOLDINGS LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 2007

<b>14 Reconciliation of movements in shareholders' funds</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	4,379,882	3,750,124
Profit for the year	383,915	106,873
	<u>4,763,797</u>	<u>3,856,997</u>
Other recognised gains or losses	-	522,885
Closing shareholders' funds	<u>4,763,797</u>	<u>4,379,882</u>

#### 15 Related party transactions

During the year the company received rent of £60,000 and a dividend of £200,000 from its subsidiary undertaking, Colt Industrial Services Limited. At 31st December 2007 £200,000 was due to the company from Colt Industrial services Limited.

At 31st December 2007 the company was owed £20,000 by HBS Northern Limited, a company controlled by the directors.

#### 16 Controlling interest

The company is controlled by Mr George Telford, a director, and his immediate family.

<b>17 Analysis of cash flows for headings netted in the cash flow statement</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	-	2,277
Interest paid	-	(8)
Dividends received	200,000	-
	<u>200,000</u>	<u>2,269</u>
<b>Taxation</b>		
Corporation tax paid	<u>(20,980)</u>	<u>(18,954)</u>

**COLT HOLDINGS LIMITED**  
**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2007**

**18 Analysis of changes in net funds**

	<b>Opening balance £</b>	<b>Cash flows £</b>	<b>Closing balance £</b>
Cash at bank and in hand	<u>866,396</u>	<u>94,292</u>	<u>960,688</u>