

Hughes & Hughes Accounting Limited

**Directors' report and financial
statements**

Registered number 4998392

Year ended 31 December 2006



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Directors' report

The directors present their annual report and the financial statements for the year ended 31 December 2006

Principal activities

The principal activity of the company is provision of accountancy services

Business review

The directors are satisfied with the results for the year which are shown on page 4

Directors and directors' interests

The directors who held office during the year were as follows

Mrs JL Hughes
GD Hughes

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

By order of the board



Mrs JL Hughes
Director

6 Granfield Gardens
Langford
Bristol
BS40 5JP

11 October 2007

Profit and loss account
for the period ended 31 December 2006

	<i>Note</i>	2006 £	2005 £
Turnover	<i>1</i>	35,233	27,610
Cost of sales		(124)	(950)
		<hr/>	<hr/>
Gross profit		35,109	26,660
Administrative expenses		(13,772)	(13,289)
		<hr/>	<hr/>
Operating profit		21,337	13,371
Other interest receivable and similar income		-	7
		<hr/>	<hr/>
Profit on ordinary activities before taxation	<i>2</i>	21,337	13,378
Taxation	<i>3</i>	(3,863)	(1,549)
		<hr/>	<hr/>
Profit for the financial year		17,474	11,829
		<hr/>	<hr/>

There were no recognised gains or losses for either financial year other than those shown above

All results arose from continuing activities

Balance sheet
at 31 December 2006

	<i>Note</i>	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	4		211		-
Current assets					
Stocks		-		100	
Debtors	5	4,895		1,100	
Cash at bank and in hand		4,878		5,177	
		<u>9,773</u>		<u>6,377</u>	
Creditors' amounts falling due within one year	6	(6,082)		(2,949)	
Net current assets			<u>3,691</u>		<u>3,428</u>
Total assets less current liabilities			<u>3,902</u>		<u>3,428</u>
Provision for liabilities and charges			-		-
Net assets			<u>3,902</u>		<u>3,428</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss account			3,900		3,426
Equity shareholders' funds	9		<u>3,902</u>		<u>3,428</u>

The company was entitled to exemption under section 249A(1) of the Companies Act 1985 from the requirement to have its accounts for the financial period 31 December 2006 audited. No notice has been deposited under section 249B(2) of the Act requiring an audit in relation to the company's accounts for that financial period. The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985, and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirement of section 226 of the Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company

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

These financial statements were approved by the board of directors on 11 October 2007 and were signed on its behalf by



Mrs J.L. Hughes
 Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

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

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows

Computer Equipment	-	50% per annum
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WIP

Work in progress stated at the lower of cost and net realisable value. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

Cashflow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

Taxation

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision services to customers during the year

Notes (continued)

2 Profit on ordinary activities before taxation

	2006 £	2005 £
<i>Profit on ordinary activities before taxation is stated*</i>		
<i>After charging</i>		
Depreciation	212	467
Directors' emoluments	8,939	7,096
	<u> </u>	<u> </u>

3 Taxation

Tax on profit on ordinary activities

Analysis of charge in period

	2006 £	2006 £	2005 £	2005 £
Current tax				
UK corporation tax on profits of the period	3,863		1,968	
Adjustments in respect of previous periods	-		(419)	
	<u>3,863</u>		<u>1,549</u>	
Deferred tax				
Origination and reversal of timing differences		-		-
		<u> </u>		<u> </u>
Tax on profit on ordinary activities		<u>3,863</u>		<u>1,549</u>

Notes (continued)

4 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At beginning of year	934	934
Additions	423	423
	<hr/>	<hr/>
At end of year	1,357	1,357
	<hr/>	<hr/>
Depreciation		
At beginning of year	934	934
Charge for year	212	212
	<hr/>	<hr/>
At end of year	1,146	1,146
	<hr/>	<hr/>
Net book value		
At 31 December 2006	211	211
	<hr/>	<hr/>
At 31 December 2005	-	-
	<hr/>	<hr/>

5 Debtors

	2006 £	2005 £
Trade debtors	4,895	1,100
Prepayments	-	-
	<hr/>	<hr/>
	4,895	1,100
	<hr/>	<hr/>

All debtors fall due within one year

Notes (continued)

6 Creditors: amounts falling due within one year

	2006	2006	2005	2005
	£	£	£	£
Other creditors		270		-
Taxation and social security				
Corporation tax	3,863		1,968	
Other tax and social security	1,949		982	
		5,812		2,950
		6,082		2,950

7 Called up share capital

	2006	2005
	£	£
<i>Authorised</i>		
£1 Ordinary shares	1,000	1,000
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	2	2

8 Commitments

The company had no capital commitments at the beginning or end of the financial year

9 Reconciliation of movements in equity shareholders' funds

	2006	2005
	£	£
Profit for the financial year (page 4)	17,474	11,829
Dividends	(17,000)	(8,500)
Net additions to shareholders' funds	474	3,329
Opening shareholders' funds	3,428	99
Closing shareholders' funds	3,902	3,428

Notes (continued)

10 Related party transactions and ultimate controlling party

There were no related party transactions during the year

The company is controlled by the directors