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Moredon Limited

Report and Accounts

30 April 2008

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COMPANIES HOUSE

OFFICERS AND PROFESSIONAL ADVISERS

The Director	D M Bromley
Company Secretary	OCS Services Limited
Registered Office	8 Angel Court London EC2R 7HP
Auditor	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	HSBC plc 31 Holborn London EC1N 2HR
Solicitors	Judge & Priestly LLP Justin House 6 West St Bromley Kent BR1 1JN
Registered Number	06065019

DIRECTOR'S REPORT

The director presents his report and the financial statements of the group for the period from 24 January 2007 to 30 April 2008

Principal activities and business review

The principal activity of the company during the year was wholesale trading

Results and dividends

The loss for the period, after taxation, amounted to £239,300. The director has not recommended a dividend

The trading results for the period and the group's financial position at the end of the period are shown in the attached accounts

Director

The director who served the company during the period was as follows

D M Bromley

D M Bromley was appointed as a director on 24 January 2007

Director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is 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 group will continue in business

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Each of the persons who is a director at the date of approval of this annual report confirms that

in so far as they are aware there is no relevant audit information of which the group's auditor is unaware, and

they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

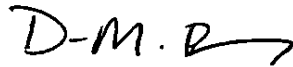
Moredon Limited

DIRECTOR'S REPORT *(continued)*

Auditor

Rees Pollock have expressed their willingness to continue in office and will be re-appointed for the forthcoming year

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'D-M. B' followed by a stylized flourish.

D M Bromley
Director

25 September 2008



REES POLLOCK

Chartered Accountants

35 New Bridge Street
London EC4V 6BW
Telephone 020 7778 7200
Fax 020 7329 6408

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MOREDON LIMITED

We have audited the group and parent company financial statements ("the financial statements") of Moredon Limited for the period from 24 January 2007 to 30 April 2008 on pages 5 to 14, which have been prepared on the basis of the accounting policies set out on page 9

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent company's affairs as at 30 April 2008 and of the group's loss for the period then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and

the information given in the Director's Report is consistent with the financial statements.

Rees Pollock
Chartered Accountants & Registered Auditors
25 September 2008

CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the period from 24 January 2007 to 30 April 2008

	Note	Period from 24 Jan 07 to 30 Apr 08 £
GROUP TURNOVER	2	4,649,127
Cost of sales		4,557,814
GROSS LOSS		91,313
Administrative expenses		592,684
OPERATING LOSS	3	(501,371)
Interest receivable		421,637
Interest payable and similar charges	6	(3)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(79,737)
Tax on loss on ordinary activities	7	92,896
LOSS FOR THE FINANCIAL PERIOD	8	<u>(172,633)</u>

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the period as set out above

The company has taken advantage of section 230 of the Companies Act 1985 not to publish its own profit and loss account

Moredon Limited

GROUP BALANCE SHEET
at 30 April 2008

	Note	£	30 Apr 08 £
CURRENT ASSETS			
Stocks	10	183,212	
Debtors	11	5,467,054	
Cash at bank		2,378,798	
		<u>8,029,064</u>	
CREDITORS, amounts falling due within one year	12	201,697	
NET CURRENT ASSETS			<u>7,827,367</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,827,367</u>
 CAPITAL AND RESERVES			
Called-up equity share capital	13		800,000
Share premium account	14		7,200,000
Profit and loss account	14		(172,633)
SHAREHOLDERS' FUNDS	15		<u>7,827,367</u>

These financial statements were approved and signed by the director and authorised for issue on 25 September 2008

D-M. P. 7.

D M Bromley
Director


The notes on page 6 form part of these financial statements

Moredon Limited

BALANCE SHEET
at 30 April 2008

	Note	£	30 Apr 08 £
FIXED ASSETS			
Investments	9		1
CURRENT ASSETS			
Debtors	11	7,999,659	
Cash at bank		341	
		<u>8,000,000</u>	
CREDITORS: amounts falling due within one year	12	<u>1</u>	
NET CURRENT ASSETS			<u>7,999,999</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,000,000</u>
 CAPITAL AND RESERVES			
Called-up equity share capital	13		800,000
Share premium account	14		<u>7,200,000</u>
SHAREHOLDERS' FUNDS			<u>8,000,000</u>

These financial statements were approved and signed by the director and authorised for issue on 25 September 2008



D M Bromley
Director

The notes on page 7 form part of these financial statements

Moredon Limited

GROUP CASH FLOW STATEMENT

for the period from 24 January 2007 to 30 April 2008

	Note	£	Period from 24 Jan 07 to 30 Apr 08 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	16		(6,042,836)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		421,637	
Interest paid		(3)	
		<u> </u>	
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			421,634
			<u> </u>
CASH OUTFLOW BEFORE FINANCING			(5,621,202)
FINANCING			
Issue of equity share capital		800,000	
Share premium on issue of equity share capital		7,200,000	
		<u> </u>	
NET CASH INFLOW FROM FINANCING			8,000,000
INCREASE IN CASH	16		<u>2,378,798</u>

The notes on page 8 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 230 of the Companies Act 1985.

Turnover

The turnover shown in the profit and loss account represents the value of goods and services provided during the period, stated net of value added tax.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Deferred taxation is provided on all timing differences, without discounting, calculated at the rate at which it is estimated that tax will be payable, except where otherwise provided by accounting standards.

2. TURNOVER

The turnover and operating profit for the year was derived from the company's principal continuing activity which was carried out wholly in the UK.

3. OPERATING LOSS

Operating loss is stated after charging

Auditor's remuneration
– as auditor

Period from
24 Jan 07 to
30 Apr 08
£

6,667

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial period amounted to

	Period from 24 Jan 07 to 30 Apr 08 No
Number of management staff	<u>1</u>

The aggregate payroll costs of the above were

	Period from 24 Jan 07 to 30 Apr 08 £
Wages and salaries	34,369
Social security costs	<u>1,391</u>
	<u>35,760</u>

5. DIRECTOR'S EMOLUMENTS

The director's aggregate emoluments in respect of qualifying services were

	Period from 24 Jan 07 to 30 Apr 08 £
Emoluments receivable	<u>39,512</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 24 Jan 07 to 30 Apr 08 £
Interest payable on bank borrowing	<u>3</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the period

	Period from 24 Jan 07 to 30 Apr 08 £
Current tax	
UK Corporation tax based on the results for the period at 28%	92,896
Total current tax	<u>92,896</u>

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

7. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 28%.

	Period from 24 Jan 07 to 30 Apr 08 £
Loss on ordinary activities before taxation	<u>(79,737)</u>
Loss on ordinary activities by rate of tax	(22,326)
Effects of	
Expenses disallowed for tax	123,236
Marginal relief	(14,756)
Taxed at different rates	6,742
Total current tax (note 7(a))	<u>92,896</u>

8. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The profit dealt with in the accounts of the parent company was £Nil

9. INVESTMENTS

Company	Group companies £
Cost	
Additions	1
At 30 April 2008	<u>1</u>
Net book value	
At 30 April 2008	<u>1</u>

Subsidiary undertakings	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
All held by the company Moredon Trading Limited	England	Ordinary shares	100%	Agents in the sale of a variety of goods

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

10. STOCKS

	Group £	Company £
Stock	183,212	—

11. DEBTORS

	Group £	Company £
Trade debtors	5,462,725	—
Amounts owed by group undertakings	—	7,999,659
Other debtors	4,329	—
	<u>5,467,054</u>	<u>7,999,659</u>

The debtors above include the following amounts falling due after more than one year

	Group £	Company £
Amounts owed by group undertakings	—	7,999,670

12. CREDITORS: amounts falling due within one year

	Group £	Company £
Trade creditors	85,079	—
Corporation tax	92,896	—
Other creditors	—	1
Accruals and deferred income	23,722	—
	<u>201,697</u>	<u>1</u>

13. SHARE CAPITAL

Authorised share capital		30 Apr 08 £
10,000,000 Ordinary shares of £0 10 each		<u>1,000,000</u>
Allotted, called up and fully paid		
Ordinary shares of £0 10 each	No <u>8,000,000</u>	£ <u>800,000</u>

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

14. RESERVES

Group	Share premium account £	Profit and loss account £	
Loss for the period	—	(172,633)	
Other movements			
New equity share capital subscribed	7,200,000	—	
Balance carried forward	<u>7,200,000</u>	<u>(172,633)</u>	
Company	Share premium account £	Profit and loss account £	Total share- holders' funds £
Other movements			
New equity share capital subscribed	7,200,000	—	7,200,000
Balance carried forward	<u>7,200,000</u>	<u>—</u>	<u>7,200,000</u>

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£	30 Apr 08 £
Loss for the financial period		(172,633)
New equity share capital subscribed	800,000	
Premium on new share capital subscribed	<u>7,200,000</u>	
		<u>8,000,000</u>
Net addition to shareholders' funds		<u>7,760,700</u>
Closing shareholders' funds		<u>7,760,700</u>

16. NOTES TO THE STATEMENT OF CASH FLOWS

**RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM
OPERATING ACTIVITIES**

	Period from 24 Jan 07 to 30 Apr 08 £
Operating loss	(501,371)
Increase in stocks	(183,212)
Increase in debtors	(5,467,054)
Increase in creditors	<u>108,801</u>
Net cash outflow from operating activities	<u>(6,042,836)</u>

NOTES TO THE FINANCIAL STATEMENTS
for the period from 24 January 2007 to 30 April 2008

16. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	30 Apr 08
	£
Increase in cash in the period	2,378,798
Movement in net funds in the period	<u>2,378,798</u>
Net funds at 24 January 2007	<u>—</u>
Net funds at 30 April 2008	<u>2,378,798</u>

ANALYSIS OF CHANGES IN NET FUNDS

	At		At
	24 Jan 2007	Cash flows	30 Apr 2008
	£	£	£
Net cash			
Cash in hand and at bank	—	2,378,798	2,378,798
Net funds	<u>—</u>	<u>2,378,798</u>	<u>2,378,798</u>