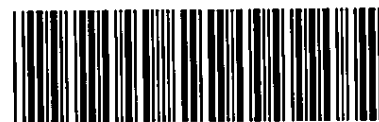

JACK RICHARDS (STORAGE) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2007

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COMPANIES HOUSE

JACK RICHARDS (STORAGE) LIMITED

COMPANY INFORMATION

DIRECTORS

J W Richards
Mrs G E Richards
A J W Richards
Mrs K P Richards (appointed 1/11/06)

SECRETARY

A J W Richards

COMPANY NUMBER

907821

REGISTERED OFFICE

Industrial Estate
Fakenham
Norfolk
NR21 4DJ

AUDITORS

Martin & Acock
Chartered Accountants & Registered Auditors
2 The Close
Norwich
Norfolk
NR1 4DJ

JACK RICHARDS (STORAGE) LIMITED

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JACK RICHARDS (STORAGE) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MAY 2007

The directors present their report and the financial statements for the year ended 31 May 2007

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors 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.

PRINCIPAL ACTIVITIES

The company's principal activity during the period was the letting of commercial property.

DIRECTORS

The directors who served during the year were

J W Richards
Mrs G E Richards
A J W Richards
Mrs K P Richards (appointed 1/11/06)

JACK RICHARDS (STORAGE) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2007**

AUDITORS

The auditors, Martin & Acock, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985

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

This report was approved by the board on *28 January 2008* and signed on its behalf



A J W Richards
Director

JACK RICHARDS (STORAGE) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JACK RICHARDS (STORAGE) LIMITED

We have audited the financial statements of Jack Richards (Storage) Limited for the year ended 31 May 2007 set out on pages 5 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, 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 members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' 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 Directors' 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 Directors' 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 directors' remuneration and other transactions is not disclosed.

We read the Directors' 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

JACK RICHARDS (STORAGE) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JACK RICHARDS (STORAGE)
LIMITED**

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 May 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Martin and Acock

MARTIN & ACOCK

Chartered Accountants
Registered Auditors

2 The Close
Norwich
Norfolk
NR1 4DJ

30 January 2008

JACK RICHARDS (STORAGE) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2007**

	Note	31 May 2007 £	31 May 2006 £
TURNOVER	1	448,436	81,888
Administrative expenses		(372,539)	(3,824)
Other operating income	2	102,000	-
OPERATING PROFIT	3	177,897	78,064
EXCEPTIONAL ITEMS			
Other exceptional items	6	1,867,103	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		2,045,000	78,064
Interest receivable	5	1,644	60,000
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,046,644	138,064
Tax on profit on ordinary activities	7	(36,179)	(26,674)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	2,010,465	111,390

The notes on pages 7 to 12 form part of these financial statements

JACK RICHARDS (STORAGE) LIMITED

BALANCE SHEET AS AT 31 MAY 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible fixed assets	8	2,769,328	86,668
CURRENT ASSETS			
Debtors	9	934,010	896,698
Cash at bank		188,500	-
		<u>1,122,510</u>	<u>896,698</u>
CREDITORS amounts falling due within one year	10	<u>(155,620)</u>	<u>(29,511)</u>
NET CURRENT ASSETS		<u>966,890</u>	<u>867,187</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,736,218</u>	<u>953,855</u>
CREDITORS amounts falling due after more than one year	11	<u>(801,898)</u>	<u>-</u>
NET ASSETS		<u><u>2,934,320</u></u>	<u><u>953,855</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Profit and loss account	13	2,934,220	953,755
SHAREHOLDERS' FUNDS		<u><u>2,934,320</u></u>	<u><u>953,855</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

28 January 2008

J W Richards
Director

The notes on pages 7 to 12 form part of these financial statements

JACK RICHARDS (STORAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2007

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold buildings	-	2%	straight line
Plant and equipment	-	10%	reducing balance
Motor Vehicles	-	0%	as non depreciating items
Office furniture	-	15%	reducing balance

2. OTHER OPERATING INCOME

	31 May 2007 £	31 May 2006 £
Other operating income	102,000	-

3. OPERATING PROFIT

The operating profit is stated after charging

	31 May 2007 £	31 May 2006 £
Depreciation of tangible fixed assets		
- owned by the company	43,528	2,709
Auditors' remuneration	1,800	-
Pension costs	24,000	-

JACK RICHARDS (STORAGE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2007**

4 DIRECTORS' REMUNERATION

	31 May 2007 £	31 May 2006 £
Aggregate emoluments	<u>242,799</u>	<u>-</u>

During the year retirement benefits were accruing to 2 directors (2006 - NIL) in respect of money purchase pension schemes

5 INTEREST RECEIVABLE

	31 May 2007 £	31 May 2006 £
Interest receivable from group companies	-	60,000
Other interest receivable	1,644	-
	<u>1,644</u>	<u>60,000</u>

6. EXCEPTIONAL ITEMS

	2005 31 May 2007 £	2004 31 May 2006 £
Inter-company loan write off	<u>1,867,103</u>	<u>-</u>

During the year the company received land and buildings from a transfer from a group company, Jack Richards & Son Limited. Consequently rental income previously received by Jack Richards & Son Limited is now received by the company and an amount of £1,867,103 was written off the inter-company loan account with Jack Richards & Son Limited.

7. TAXATION

	31 May 2007 £	31 May 2006 £
Analysis of tax charge in the year		
UK corporation tax charge on profits for the year	36,179	26,690
Adjustments in respect of prior periods	-	(16)
Total current tax	<u>36,179</u>	<u>26,674</u>
Tax on profit on ordinary activities	<u>36,179</u>	<u>26,674</u>

JACK RICHARDS (STORAGE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2007**

7 TAXATION (continued)

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 30% (2006 - 19%)

There were no factors that may affect future tax charges

8 TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 June 2006	148,891	16,374	-	165,265
Additions	70,926	18,310	24,131	113,367
Transfers intra group	3,215,419	-	-	3,215,419
Disposals	(176,678)	(16,374)	-	(193,052)
At 31 May 2007	3,258,558	18,310	24,131	3,300,999
Depreciation				
At 1 June 2006	63,031	15,566	-	78,597
Charge for the year	42,460	1,068	-	43,528
Transfers intra group	429,624	-	-	429,624
On disposals	(4,512)	(15,566)	-	(20,078)
At 31 May 2007	530,603	1,068	-	531,671
Net book value				
At 31 May 2007	2,727,955	17,242	24,131	2,769,328
At 31 May 2006	85,860	808	-	86,668

Included within land and buildings is land at cost of £977,231 (2006 - £25,512) which is not depreciated

9 DEBTORS

	2007 £	2006 £
Due after more than one year		
Amounts owed by group undertakings	900,000	-
Due within one year		
Trade debtors	9,356	-
Other debtors	24,654	896,698
	<u>934,010</u>	<u>896,698</u>

JACK RICHARDS (STORAGE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2007**

**10 CREDITORS.
Amounts falling due within one year**

	2007	2006
	£	£
Bank loans and overdrafts	103,567	-
Corporation tax	36,179	26,690
Social security and other taxes	13,628	-
Other creditors	2,246	2,821
	155,620	29,511

**11 CREDITORS:
Amounts falling due after more than one year**

	2007	2006
	£	£
Bank loans	801,898	-

Creditors include amounts not wholly repayable within 5 years as follows

	2007	2006
	£	£
Repayable by instalments	387,630	-

The loan above is included as part of the contingent liability

JACK RICHARDS (STORAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2007

12 SHARE CAPITAL

	2007 £	2006 £
Authorised		
9,900 Ordinary shares of £1 each	9,900	9,900
40 Ordinary A shares of 50p each	20	20
30 Ordinary B shares of 50p each	15	15
80 Ordinary C shares of 50p each	40	40
25 Ordinary D shares of 50p each	13	13
24 Ordinary E shares of 50p each	12	12
	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
40 Ordinary A shares of 50p each	20	20
30 Ordinary B shares of 50p each	15	15
80 Ordinary C shares of 50p each	40	40
25 Ordinary D shares of 50p each	13	13
24 Ordinary E shares of 50p each	12	12
	<u>100</u>	<u>100</u>

13 RESERVES

	Profit and loss account £
At 1 June 2006	953,755
Profit retained for the year	2,010,465
Dividends Equity capital	(30,000)
At 31 May 2007	<u>2,934,220</u>

14. DIVIDENDS

	31 May 2007 £	31 May 2006 £
Dividends paid on equity capital	<u>30,000</u>	<u>-</u>

JACK RICHARDS (STORAGE) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2007

15. CONTINGENT LIABILITIES

The company has entered into a cross guarantee and debenture covering the borrowings made by the company and related undertaking from Barclays Bank PLC whereby each undertaking is jointly and severally liable to the bank for the borrowings of the other undertaking. The debenture is secured on all assets of the company.

At 31 May 2007 the borrowings of the related undertaking, Jack Richards & Son Limited, amounted to £nil (2006 £993,825). During the year all the properties were moved into the company. At 31 May 2007 the borrowings of the company amounted to £905,465 (2006 £nil).

16. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,000 (2006 £nil).

17. RELATED PARTY TRANSACTIONS

The company is a related group company of Jack Richards & Son Limited as Jack Richards Holdings Limited is the parent company for both companies.

During the year, the loan to the Jack Richards & Son Limited decreased by £872,044 (2006 £114,219 increased). As at 31 May 2007 the balance of the loan was £24,654 owed by Jack Richards & Son Ltd (2006 £896,698). No interest was paid on the loan during the year (2006 £60,000).

In the year a dividend was paid of £30,000 to Jack Richards Holdings Limited, the balance owed by Jack Richards Holdings Limited at 31 May 2007 was £900,000 shown in debtors greater than one year.

During the year, all the properties were transferred from Jack Richards & Son Limited to the company for the value of £2,785,795.

Also during the year, rent was charged to Jack Richards & Son Limited of £208,020 and a management charge of £102,000 was also charged.

18. CONTROLLING PARTY

As at 31 May 2007, Jack Richards Holdings Limited, owned 100% of the issued share capital of the company.

As at 31 May 2007, the board have concluded that the ultimate control of the company vests in the directors of Jack Richards Holdings Limited. The directors A J W Richards and J W Richards and the connected family member G E Richards have ultimate control of Jack Richards Holdings Limited which is in accordance with Financial Reporting Standard 8 "Related Party Disclosures".