

HALLMARK BLINDS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2005

1643-55

CONTENTS

PAGE

Company Information	1
Report of the Directors	2
Balance Sheet	3
Profit and Loss Account	5
Notes to the Accounts	6

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COMPANIES HOUSE

HALLMARK BLINDS LIMITED

COMPANY INFORMATION

COMPANY NUMBER:

1645708

DIRECTORS:

D.N. Bush Esq.
Mrs G.P. Bush

SECRETARY:

D.N. Bush Esq.

REGISTERED OFFICE:

173 Caledonian Road,
London,
N1 0SL.

ACCOUNTANTS:

Semaphore Consultants,
8 Somersby Gardens,
Redbridge,
Ilford,
Essex,
IG4 5EA.

BANKERS:

Lloyds TSB Bank Plc,
31 Holloway Road,
London,
N7 8JU.

HALLMARK BLINDS LIMITED

REPORT OF THE DIRECTORS

The Directors present their Report and the unaudited Financial Statements for the year ended 31st December 2005.

PRINCIPAL ACTIVITY

The principal activities of the Company are those of the supply and installation of window blinds.

REVIEW OF THE BUSINESS

A summary of the Company's results during the trading year is set out in the attached Financial Statements.

SHARE CAPITAL

Following an agreement reached between the Company and the Trustees of the Hall Blinds Retirement Benefit Scheme the Preference Shares were cancelled in favour of Ordinary Shares in the same value.

PROPOSED DIVIDEND

The Directors do not recommend payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The Directors who held office throughout the year, and their interests in the shares of the Company, as shown in the Register of Directors' interests, were as stated below:-

	<u>Class of Share</u>	<u>At</u> <u>31.12.2005</u>	<u>At</u> <u>31.12.2004</u>
D.N. Bush Esq.	£1 Ordinary	30,099	99
Mrs G.P. Bush	£1 Ordinary	1	1

DIRECTORS' RESPONSIBILITIES FOR PREPARING THE FINANCIAL STATEMENTS

The Directors are obliged by law to prepare Financial Statements for each financial year and to present them annually to the Company's Members in Annual General Meeting.

The Financial Statements, of which the form and content is prescribed by the Companies Act, 1985, must give a true and fair view of the state of affairs of the Company at the end of the financial year, and of the profit or loss of the Company for that period, and they must comply with applicable accounting standards.

The Directors are also responsible for the adoption of suitable Accounting Policies and their consistent use in the Financial Statements, supported where necessary by reasonable and prudent judgements and estimates, and for applying the going concern basis to the Financial Statements unless it is not appropriate to presume that the Company will continue in business.

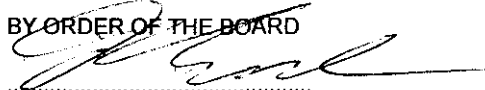
The Directors confirm that the above requirements have been complied with in the Financial Statements.

In addition, the Directors are responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the Company and to prevent and detect fraud or any other irregularities.

AUDITORS

The Company has availed itself of the exemption from having its Financial Statements audited as permitted by Section 249A(1) of the Companies Act, 1985.

BY ORDER OF THE BOARD



Secretary

12th January 2007

HALLMARK BLINDS LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2005

	<u>NOTES</u>	<u>2005</u>	<u>2004</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible	5	3,710	9,304
<u>CURRENT ASSETS</u>			
Stock and Work in Progress	1	13,941	10,810
Debtors: Amounts falling due within one year	6	171,805	152,032
Cash at Bank and in Hand		216	6,795
		<u>185,962</u>	<u>169,637</u>
<u>CREDITORS: Amounts falling due within one year</u>	7	201,336	162,384
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		<u>(15,374)</u>	<u>7,253</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>(11,664)</u>	<u>16,557</u>
<u>CREDITORS: Amounts falling due after more than one year</u>	8	11,154	43,868
<u>NET LIABILITIES</u>		<u>£(22,818)</u> =====	<u>£(27,311)</u> =====
<u>CAPITAL AND RESERVES</u>			
Called up Share Capital	9	30,100	30,100
Profit and Loss Account		(52,918)	(57,411)
		<u>£(22,818)</u> =====	<u>£(27,311)</u> =====

In preparing these modified Accounts:

- We have relied upon the exemptions for individual accounts under Schedule 8 of the Companies Act 1985.
- We have done so on the grounds that the Company is entitled to the benefit of those exemptions of a small Company.
- The Company was entitled to the exemption conferred by Section 249A(1) of the Companies Act, 1985 in respect of the year ended 31st December 2005.
- No notice has been deposited in accordance with Section 249B(2) of the Companies Act, 1985 in relation to the Accounts for the year ended 31st December 2005.
- We acknowledge our responsibility for:-
 - ensuring that the Company keeps accounting records which 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 31st December 2005 and of its profit for the year ended in accordance with the requirements of Section 226 of the Companies Act, 1985 and which otherwise comply with the requirements of the Act relating to Accounts, so far as applicable to the Company.

BALANCE SHEET

AS AT 31ST DECEMBER 2005

Signed on behalf of the board

A. Bush.

Directors

29/1/2007

HALLMARK BLINDS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 2005

	<u>NOTES</u>	<u>2005</u>	<u>2004</u>
		<u>£</u>	<u>£</u>
<u>TURNOVER</u>	1,2	315,747	439,893
<u>COST OF SALES</u>		175,867	259,414
<u>GROSS PROFIT</u>		139,880	180,479
Establishment Expenses		14,623	17,169
Administrative Expenses		117,938	140,331
		132,561	157,500
<u>OPERATING PROFIT</u>	3	7,319	22,979
<u>INTEREST RECEIVABLE</u>	12	31	99
		7,350	23,078
<u>INTEREST PAYABLE</u>	10	2,857	2,406
<u>PROFIT ON ORDINARY ACTIVITIES</u>			
before Taxation		4,493	20,672
<u>TAXATION</u>	4	-	7,980
<u>RETAINED PROFIT FOR THE YEAR</u>		4,493	12,692
<u>DEFICIENCY</u> , brought forward		(57,411)	(70,103)
<u>DEFICIENCY</u> , carried forward		£(52,918)	£(57,411)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Company in the preparation of its accounts.

(a) Basis of Accounting

The Financial Statements have been prepared in accordance with applicable Accounting Standards and under the historical cost convention. The Financial Statements have also been prepared on the going concern basis on the assumption that the Directors will, in line with their assurances given to so do, continue to financially support the Company. The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small Company as defined by the Companies Act, 1985.

(b) Turnover

Turnover represents the total value, excluding Value Added Tax, of sales during the year.

(c) Depreciation

Depreciation has been provided using the following rates and bases to reduce by annual instalments the cost of the tangible Fixed Assets over their estimated useful lives:-

Motor Vehicles	- 25% of net book value
Plant and Machinery	- 25% of net book value

(d) Stock and Work in Progress

Stock and Work in Progress have been valued by the Directors at the lower of cost and net realisable value.

(e) Deferred Taxation

No deferred taxation has been provided as it is unlikely that a liability or asset will crystallize in the foreseeable future.

(f) Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a 'finance lease'. The asset is recorded in the Balance Sheet as a tangible Fixed Asset and is depreciated over its estimated useful life. Future instalments under such leases, net of finance charges, are included within Creditors. Rentals payable are apportioned between the finance element, which is charged to the Profit and Loss Account, and the capital element which reduces the outstanding obligation for future instalments.

All other leases are accounted for as 'operating leases' and the rental charges are charged to the Profit and Loss Account on a straight line basis over the life of the lease.

2. TURNOVER

The turnover and profit before taxation is attributable to the principal activities of the Company.

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
United Kingdom	315,747	439,893
	<u>£315,747</u>	<u>£439,893</u>
	=====	=====

3. OPERATING PROFIT

This is stated, after charging:-

Directors' Remuneration	5,200	5,200
Depreciation of		
Tangible Fixed Assets	1,095	3,101
Loss on Sale of Motor Vehicles	5,100	-
	<u>=====</u>	<u>=====</u>

4. TAXATION

Except where either trading loss relief is claimable, or the value of capital expenditure tax allowances exceed adjusted taxable profits, United Kingdom Corporation Tax is provided for at the prevailing Small Companies rate.

Under-provision in prior year

-	2,899
-	5,081
<u>£ -</u>	<u>£7,980</u>
=====	=====

5. TANGIBLE FIXED ASSETS

	<u>MOTOR VEHICLES</u>	<u>PLANT AND MACHINERY</u>	<u>TOTAL</u>
	<u>£</u>	<u>£</u>	<u>£</u>
<u>COST OR VALUATION</u>			
At 1st January 2005	38,560	6,728	45,288
Disposals	(25,600)	-	(25,600)
Additions	-	601	601
	<u>12,960</u>	<u>7,329</u>	<u>20,289</u>
	=====	=====	=====
<u>DEPRECIATION</u>			
At 1st January 2005	30,784	5,200	35,984
On Disposals	(20,500)	-	(20,500)
Charge for the Year	669	426	1,095
	<u>10,953</u>	<u>5,626</u>	<u>16,579</u>
	=====	=====	=====
<u>NET BOOK VALUES</u>			
At 31st December 2004	£7,776	£1,528	£9,304
	=====	=====	=====
At 31st December 2005	£2,007	£1,703	£3,710
	=====	=====	=====

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2005

(Continued)

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
6. DEBTORS:		
Amounts falling due within one year:-		
Trade Debtors	156,414	141,337
Other Debtors and Prepayments	15,391	10,695
	<u>£171,805</u>	<u>£152,032</u>
	=====	=====
7. CREDITORS:		
Amounts falling due within one year:-		
Bank Overdraft and Loan	14,250	4,233
Trade Creditors	90,372	80,475
Social Security and Other Taxes	26,402	24,152
Corporation Tax (Note 4)	2,899	2,899
Directors' Current Accounts	43,134	14,945
Other Creditors and Accruals	24,279	35,680
	<u>£201,336</u>	<u>£162,384</u>
	=====	=====
8. CREDITORS:		
Amounts falling due after more than one year:-		
Bank Loan	11,154	13,868
Other Creditors	-	30,000
	<u>£11,154</u>	<u>£43,868</u>
	=====	=====
9. CALLED UP SHARE CAPITAL		
AUTHORISED		
5,000 Ordinary Shares of £1 each	5,000	5,000
30,000 Ordinary Shares of £1 each	30,000	-
30,000 10% Interest Preference Shares of £1 each	-	30,000
	<u>£35,000</u>	<u>£35,000</u>
	=====	=====
ALLOTTED, ISSUED AND FULLY PAID		
100 Ordinary Shares of £1 each	100	100
30,000 Ordinary Shares of £1 each	30,000	-
30,000 10% Interest Preference Shares of £1 each	-	30,000
	<u>£30,100</u>	<u>£30,100</u>
	=====	=====
10. INTEREST PAYABLE		
Bank Overdraft Interest	£2,857	£2,406
	=====	=====

11. RELATED PARTY TRANSACTIONS

The Company trades with Blind Trade Supplies Limited, a Company of which D. N. Bush and Mrs G.P. Bush are Directors and in which Mr. Bush has a 75% shareholding. During the year the company supplied goods to Blind Trade Supplies Limited amounting to £2,216 (2004 - £1,570) and purchased goods from Blind Trade Supplies Limited amounting to £9,417 (2004 - £12,323). All of the above-stated transactions were made at arms length prices on normal commercial terms.

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
<u>12. INTEREST RECEIVABLE</u>		
Bank Interest	31	99
	<u>£31</u>	<u>£99</u>
	===	===