

NEWCHASE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

SATURDAY



ANVRHQG6

A37

16/06/2007

387

COMPANIES HOUSE

NEWCHASE LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 10
The following pages do not form part of the statutory accounts	
Detailed profit and loss account and summaries	11 - 13

NEWCHASE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2007

The directors present their report and the financial statements for the year ended 31 March 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 AND REVIEW OF BUSINESS

The principal activity of the company continued to be that of property development.

The directors are satisfied with the result for the year and the year end financial position and expect that the level of activity will continue in the forthcoming year.

RESULTS

The profit for the year, after taxation, amounted to £502,923 (2006 - £45,651)

DIRECTORS

The directors who served during the year were

W W Rhodes
B Money

NEWCHASE LIMITED

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

AUDITORS

The auditors, Smith Cooper, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985

This report was approved by the board on 8 June 2007 and signed on its behalf



W W Rhodes
Secretary

NEWCHASE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEWCHASE LIMITED

We have audited the financial statements of Newchase Limited for the year ended 31 March 2007 set out on pages 5 to 10. These financial statements have been prepared in accordance with the accounting policies set out therein.

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.

NEWCHASE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NEWCHASE LIMITED

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 company's affairs as at 31 March 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

Smith Cooper

SMITH COOPER
Chartered Accountants
Wilmot House
St James Court
Derby
DE1 1BT
8 June 2007

NEWCHASE LIMITED

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

	Note	2007 £	2006 £
TURNOVER	1,2	1,813,041	112,078
Cost of sales		<u>(1,138,185)</u>	<u>-</u>
GROSS PROFIT		674,856	112,078
Administrative expenses		(20,292)	(55,013)
Other operating income		<u>1,840</u>	<u>2,184</u>
OPERATING PROFIT	3	656,404	59,249
Interest receivable		39,270	11,110
Interest payable	4	<u>(4,710)</u>	<u>(13,363)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		690,964	56,996
Tax on profit on ordinary activities	5	<u>(188,041)</u>	<u>(11,345)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	<u>502,923</u>	<u>45,651</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2007 or 2006 other than those included in the profit and loss account

The notes on pages 7 to 10 form part of these financial statements

NEWCHASE LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2007**

	Note	2007 £	2006 £
CURRENT ASSETS			
Stocks	6	52,756	1,079,258
Debtors	7	812	4,497
Cash at bank		1,473,684	339,772
		<u>1,527,252</u>	<u>1,423,527</u>
CREDITORS: amounts falling due within one year	8	<u>(186,841)</u>	<u>(433,060)</u>
NET CURRENT ASSETS		<u>1,340,411</u>	<u>990,467</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,340,411</u>	<u>990,467</u>
CREDITORS: amounts falling due after more than one year	9	-	(152,979)
NET ASSETS		<u>1,340,411</u>	<u>837,488</u>
CAPITAL AND RESERVES			
Called up share capital	11	126,668	126,668
Profit and loss account	12	1,213,743	710,820
SHAREHOLDERS' FUNDS	13	<u>1,340,411</u>	<u>837,488</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 June 2007



W W Rhodes
Director

The notes on pages 7 to 10 form part of these financial statements

NEWCHASE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 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 applicable accounting standards

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 Stocks and work in progress

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1.4 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are discounted

2. TURNOVER

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Auditors' remuneration	1,350	1,250

During the year, no director received any emoluments (2006 - £NIL)

4. INTEREST PAYABLE

	2007 £	2006 £
On bank loans and overdrafts	4,710	13,363

NEWCHASE LIMITED

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

5. TAXATION

	2007 £	2006 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profits for the year	185,041	11,405
Adjustments in respect of prior periods	-	(60)
Total current tax	185,041	11,345
Deferred tax (see note 10)		
Origination and reversal of timing differences	3,000	-
Tax on profit on ordinary activities	188,041	11,345

Factors affecting tax charge for the year

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 applicable to the company

Factors that may affect future tax charges

There were no factors that may affect future tax charges

6. STOCKS

	2007 £	2006 £
Work in progress	52,756	1,079,258

7. DEBTORS

	2007 £	2006 £
Other debtors	812	-
Prepayments and accrued income	-	1,497
Deferred tax asset (see note 10)	-	3,000
	812	4,497

NEWCHASE LIMITED

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

8. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	-	38,341
Corporation tax	185,041	11,405
Other creditors	-	350,000
Accruals and deferred income	1,800	33,314
	<u>186,841</u>	<u>433,060</u>

9. CREDITORS: Amounts falling due after more than one year

	2007 £	2006 £
Bank loans	-	152,979
	<u>-</u>	<u>152,979</u>

The bank loan was paid in full during the year

10. DEFERRED TAXATION

	2007 £	2006 £
At 1 April 2006	3,000	3,000
Released during/(charged for) the year	(3,000)	-
	<u>-</u>	<u>3,000</u>
At 31 March 2007	-	3,000

The deferred taxation balance is made up as follows

	2007 £	2006 £
Short term timing differences	-	3,000
	<u>-</u>	<u>3,000</u>

11. SHARE CAPITAL

	2007 £	2006 £
Authorised, allotted, called up and fully paid		
126,668 Ordinary shares shares of £1 each	<u>126,668</u>	<u>126,668</u>

NEWCHASE LIMITED

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

12. RESERVES

	Profit and loss account £
At 1 April 2006	710,820
Profit retained for the year	502,923
At 31 March 2007	1,213,743

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Opening shareholders' funds	837,488	791,837
Profit for the year	502,923	45,651
Closing shareholders' funds	1,340,411	837,488

14. RELATED PARTY TRANSACTIONS

The accounts include consultancy fees of £42,000 (2006 £24,500) paid to Vitalforce (FM) Limited, a company in which B Money has a material interest as shareholder. There was nil outstanding at 31 March 2007 (2006 £nil).

During the year the loan of £350,000 from W Rhodes, a director to the company was repaid in full.

15. CONTROLLING PARTY

W W Rhodes is the ultimate controlling party by virtue of his controlling interest in the company's equity capital.