

Howper 489 Limited

**Directors' report and financial
statements**

Registered number 241554

31 March 2006

TUESDAY



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Directors' report

The directors present their report together with the financial statements for the year ended 31 March 2006.

Principal activity and business review

The company has not traded during the year.

Directors and their interests

The directors who held office during the year were as follows:

CMC Purslow
TM Willan
AW King

None of the directors who held office at the end of the financial year had any interest in the shares of the company.

The interests of the directors in the shares of William Green & Son Limited are shown in that company's accounts.

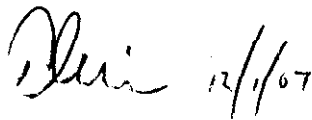
Donations

No charitable or political donations were made by the company during the year (2005: £nil).

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board

Handwritten signature of TM Willan, dated 12/1/07.

TM Willan
Director

Queen Street
Rushden
Northants
NN10 0AB

Statement of directors' responsibilities

The directors are responsible for preparing the directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



KPMG LLP

Altius House
1 North Fourth Street
Central Milton Keynes
Buckinghamshire
MK9 1NE

Independent auditors' report to the members of Howper 489 Limited

We have audited the financial statements of Howper 489 Limited for the year ended 31 March 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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 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.

Independent auditors report to the members of Howper 489 Limited
(continued)

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice as adopted by the EU, of the state of the company's affairs as at 31 March 2006 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985;
- the information given in the Directors' Report is consistent with the financial statements.

Keong LLP

KPMG LLP
Chartered Accountants
Registered Auditor

15 January 2007

Profit and loss account
for the year ended 31 March 2006

	<i>Note</i>	2006 £	2005 £
Turnover	2	-	653,350
Increase in stocks of finished goods and work in progress		-	42,043
Raw materials and consumables		-	(405,430)
		<hr/>	<hr/>
		-	289,963
Staff costs	4	-	(305,678)
Depreciation and amortisation		-	(11,846)
Other operating charges		-	(206,130)
Other operating income		-	15,377
		<hr/>	<hr/>
Operating loss	3	-	(218,314)
Restructuring costs	6	-	(346,726)
Profit on sale of fixed assets	6	-	400,748
Interest receivable and similar income	7	-	-
Interest payable and similar charges	8	-	(3,155)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		-	(167,447)
Tax on loss on ordinary activities	9	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation		-	(167,447)
Interim dividend proposed		-	(506,430)
		<hr/>	<hr/>
Retained loss for the financial year	15	-	(673,877)
		<hr/>	<hr/>

All results derive from discontinued activities.

The company had no recognised gains or losses other than the results as stated above.

The notes on pages 7 to 13 form part of these financial statements.

Balance sheet
at 31 March 2006

	Note	2006		2005	
		£	£	£	£
Current assets				2,164,815	
Debtors	11	2,164,815			
		<u>2,164,815</u>		<u>2,164,815</u>	
Creditors: amounts falling due within one year	12	(506,430)		(506,430)	
		<u></u>		<u></u>	
Net current assets			1,658,385		1,658,385
			<u></u>		<u></u>
Net assets			1,658,385		1,658,385
			<u></u>		<u></u>
Capital and reserves			63,000		63,000
Called up share capital	14		210,648		210,648
Capital redemption reserve	15		1,384,737		1,384,737
Profit and loss account	15		<u></u>		<u></u>
Shareholders' funds			1,601,385		1,601,385
Equity	16		57,000		57,000
Non equity	16		<u></u>		<u></u>
			<u>1,658,385</u>		<u>1,658,385</u>

The notes on pages 7 to 13 form part of these financial statements.
The financial statements were approved by the board of directors on

and were signed on its behalf by:



TM Willan
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, except as noted below.

In these financial statements the following new standards have been adopted for the first time:

- FRS 21 'Events after the balance sheet date';
- FRS 28 'Corresponding amounts'.

The accounting policies under these new standards are set out below together with an indication of the effects of their adoption. FRS 28 'Corresponding amounts' has had no material effect as it imposes the same requirements for comparatives as hitherto required by the Companies Act 1985. FRS 21 'Events after the balance sheet date' has had no effect.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. The company has applied the transitional rules contained in FRS 15 *Tangible Fixed Assets* to retain previous valuations as the basis on which these assets are held.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The company, being a wholly owned subsidiary of William Green & Son Limited, has taken advantage of the exemption under FRS 8 Related Party Transactions, and accordingly has not disclosed transactions with entities within that group.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

Depreciation and amortisation

Depreciation and amortisation are calculated to write down the cost of all fixed assets to net realisable value by equal annual instalments over their expected useful lives.

The periods generally applicable are:

Freehold buildings	-	50 years
Leasehold buildings	-	50 years
Plant and machinery	-	5 years
Motor vehicles	-	4 years
Fixtures, fittings and equipment	-	5 years

Freehold land is not depreciated.

All items of plant and equipment acquired prior to 31 March 1972, which have been fully depreciated, have been treated for the purposes of these financial statements as having a nil cost and nil accumulated depreciation.

Notes (continued)

1 Accounting policies (continued)

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. In determining the cost of raw material and consumable stores, the average purchase price is used. For work in progress and finished goods manufactured by the company, cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

Taxation and deferred taxation

The charge for taxation is based on the profit for the year.

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.

Foreign currencies

Transactions in foreign currencies are translated into pounds sterling at the rates of exchange ruling at the dates of the transactions. Gains and losses arising from fluctuations in exchange rates are included in the profit and loss account. Assets and liabilities denominated in foreign currencies are included in the balance sheet at the rate of exchange ruling at the balance sheet date.

Pension costs

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company in a trustee administered independent fund. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of the pensions over employees' working lives with the company.

Lease payments

Assets acquired under finance leases or hire purchase contracts are capitalised and the outstanding future lease obligations are shown in creditors. Rental payments are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding lease obligations.

2 Turnover

An analysis of turnover by geographical market is given below:

	2006 £	2005 £
Turnover to third parties by geographical market:		
United Kingdom	-	421,202
European Union	-	103,046
Rest of the World	-	15,195
	<hr/>	<hr/>
	-	539,443
Turnover to group companies	-	113,907
	<hr/>	<hr/>
	-	653,350
	<hr/>	<hr/>

Notes (continued)

3 Operating loss

	2006 £	2005 £
<i>The operating loss is stated after charging/(crediting):</i>		
Auditors' remuneration - audit work	-	5,719
Depreciation on owned assets	-	11,846
Profit on disposal of fixed assets	-	(400,748)
Loss on foreign exchange	-	146
	<u> </u>	<u> </u>

4 Staff numbers and costs

The average number of persons employed by the company during the year was as follows:

	2006 Number	2005 Number
Production	-	16
Management and administration	-	5
	<u> </u>	<u> </u>
	-	21
	<u> </u>	<u> </u>

The payroll costs during the year were as follows:

	2006 £	2005 £
Wages and salaries	-	278,110
Social security	-	24,262
Other pension costs	-	3,306
	<u> </u>	<u> </u>
	-	305,678
	<u> </u>	<u> </u>

5 Remuneration of directors

The emoluments of the directors during the year.

	2006 £	2005 £
Directors' emoluments	-	52,054
	<u> </u>	<u> </u>

The aggregate emoluments of the highest paid director was £ NIL (2005: £12,890).

	Number of directors 2006	2005
Retirement benefits are accruing for the following number of directors under defined benefit schemes	-	4
	<u> </u>	<u> </u>

Notes (continued)

6 Exceptional items

	2006 £	2005 £
Restructuring costs:	-	267,310
Redundancies	-	39,000
Termination of contracts	-	40,416
Legal and professional fees	-	-
	-	346,726
	-	400,478
Profit on sale of freehold land and buildings	-	-

7 Interest receivable and similar income

	2006 £	2005 £
Amounts receivable on bank deposits	-	-

8 Interest payable and similar charges

	2006 £	2005 £
Amounts payable on bank overdrafts	-	3,155

9 Taxation

	2006 £	2005 £
Analysis of charge in year	-	-
<i>UK corporation tax</i>	-	-
Current tax on income for the year	-	-
Deferred tax	-	-
Origination/(reversal) of timing differences	-	-
Adjustment in respect of prior periods	-	-
Total deferred tax	-	-
Tax on loss on ordinary activities	-	-

Notes (continued)

9 Taxation (continued)

Factors affecting the tax charge for the current period

There is no tax charge for the current period. The current tax charge for 2005 is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2006	2005
	£	£
<i>Current tax reconciliation</i>		
Loss on ordinary activities before tax	-	(167,447)
	<hr/>	<hr/>
Current tax at 30%	-	(50,234)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	-	7,884
Depreciation in excess of capital allowances for period	-	(115,311)
Marginal relief	-	-
Tax losses transferred to group companies	-	157,661
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/>	<hr/>

10 Dividends and other appropriations

	2006	2005
	£	£
<i>Equity shares:</i>		
Interim ordinary dividend proposed	-	506,430
	<hr/>	<hr/>
	-	506,430
	<hr/>	<hr/>

11 Debtors

	2006	2005
	£	£
<i>Due within one year:</i>		
Amounts owed by group undertaking	2,164,815	2,164,815
	<hr/>	<hr/>
	2,164,815	2,164,815
	<hr/>	<hr/>

12 Creditors: amounts falling due within one year

	2006	2005
	£	£
Amounts owed to group undertaking	506,430	506,430
	<hr/>	<hr/>
	506,430	506,430
	<hr/>	<hr/>

Notes (continued)

13 Provision for liabilities and charges

	2006 £	2005 £
The elements of deferred taxation are as follows:		
Depreciation in excess of capital allowances	-	4,802
Transferred to parent company	-	(4,802)
	<hr/>	<hr/>
Deferred tax asset	-	-
	<hr/>	<hr/>

14 Share capital

	2006 £	2005 £
<i>Authorised</i>		
Ordinary shares of £1 each	236,000	236,000
Preference shares of £1 each	114,000	114,000
	<hr/>	<hr/>
	350,000	350,000
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	6,000	6,000
Preference shares of £1 each	57,000	57,000
	<hr/>	<hr/>
	63,000	63,000
	<hr/>	<hr/>

Dividend rights

The cumulative preference shares carry a right following a distribution of the profits in respect of each financial year to a preferential net cash dividend of seventy pence per share per annum (and any arrears on dividends thereon).

Events on winding up or otherwise a return of capital

In the event of a winding up or otherwise a return of capital of the company shall be paid to the shareholders in the following order of priority:

- i) first, in paying to the holders of the cumulative preference shares and the ordinary shares (pari passu as if the same constituted one class of shares) the amount paid up thereon together with a sum equal to any arrears, deficiency or accruals of the dividends payable on all or any of such shares calculated to the date of return of capital;
- ii) secondly, in paying to the holders of the preference shares the sum of £6.50 per preference share;
- iii) thirdly, the balance (if any) shall be distributed amongst the holders of the preference shares and the ordinary shares (pari passu as if the same constituted one class of share).

Voting rights

The holders of the preference shares do not have the right to vote at general meetings unless a resolution is proposed which affects their rights or entitlement or on proposing the winding up of the company.

Notes (continued)

15 Reserves

	Profit and loss account £	Capital redemption reserve £	Total £
At beginning of the year	1,384,737	210,648	1,595,385
Retained profit / loss for the year	-	-	-
At end of the year	1,384,737	210,648	1,595,385

16 Reconciliation of movements in shareholders' funds

	Equity shares £	Non-equity shares £	Total £
Profit / loss for the year after tax	-	-	-
Movement in shareholders' funds in the year			
Opening shareholders' funds	1,601,385	57,000	1,658,385
Closing shareholders' funds	1,601,385	57,000	1,658,385

17 Pension scheme

During the period to 9 June 2004, the Company operated a defined benefit pension scheme, funded by Company contributions to independently administered funds. The assets of the scheme were held separately from the Company. On 9 June 2004 the pension scheme was transferred along with the trade and assets, excluding freehold land and buildings, of the company, to the new parent company, William Green & Son Limited. Relevant disclosure of the details of the pension scheme for the year to 31 March 2006 has been included in the financial statements of that company.

18 Ultimate parent company

The ultimate parent company is William Green & Son Limited