

Millfold Group Limited
(formerly eaga Home Services Limited)
Annual Report
for the year ended 31 May 2008

Registered Number 01778615

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Millfold Group Limited
(formerly eaga Home Services Limited)
Annual Report
for the year ended 31 May 2008
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Millfold Group Limited (formerly eaga Home Services Limited)

Directors and Advisors

Directors

W J H Cox	(resigned 21 January 2008)
J A Hickton	(resigned 30 April 2008)
D Hodges	(resigned 4 January 2008)
J A Johnson	(resigned 26 September 2007)
I D McLeod	(resigned 30 May 2008)
M McMahon	(appointed 4 January 2008)
P R Varley	(appointed 20 September 2007, resigned 4 January 2008)

Company Secretary and registered office

C F Judd
Partnership House
City West Business Park
Scotswood Road
Newcastle upon Tyne
NE4 7DF

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
89 Sandyford Road
Newcastle upon Tyne
NE1 8HW

Solicitors

Blackett, Hart & Pratt
Eldon Chambers
23 The Quayside
Newcastle upon Tyne
NE1 3DE

Bankers

HSBC Bank plc
City Branch
110 Grey Street
Newcastle upon Tyne
NE1 6JG

Millfold Group Limited (formerly eaga Home Services Limited)

Director's report for the year ended 31 May 2008

The director presents his report and the audited financial statements of the company for the year ended 31 May 2008.

Principal activity

The principal activity of the company is the provision of management services. On 3 June 2008 the company changed its name from eaga Home Services Limited to Millfold Group Limited.

Directors

The details of directors who served during the year, and up to the date of signing the financial statements are set out on page 1.

Statement of 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 of the profit or loss of the company for that period.

In preparing those 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The director confirms that he has complied with the above requirements in preparing the financial statements.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Millfold Group Limited (formerly eaga Home Services Limited)

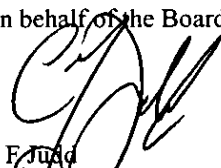
Independent auditors and disclosure of information to auditors

In so far as the director is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board



C F Judd
Company Secretary
17 March 2009

Millfold Group Limited (formerly eaga Home Services Limited)

Independent auditors' report to the members of Millfold Group Limited (formerly eaga Home Services Limited)

We have audited the financial statements of Millfold Group Limited (formerly eaga Home Services Limited) for the year ended 31 May 2008, which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of director and auditors

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 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). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 also 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 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 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.

Millfold Group Limited (formerly eaga Home Services 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 May 2008 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 director's report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

18 March 2009

Millfold Group Limited (formerly eaga Home Services Limited)

Profit and loss account for the year ended 31 May 2008

	Note	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Administrative expenses		15,366	(16,257)
Operating profit/(loss)	1	15,366	(16,257)
Impairment of fixed asset investments	5	(324,576)	-
Investment income		361,144	-
Interest payable	2	-	(7,783)
Profit/(loss) on ordinary activities before taxation		51,934	(24,040)
Taxation	3	(9,014)	9,054
Profit/(loss) for the financial year	9	42,920	(14,986)

All of the above amounts relate to continuing operations.

A statement of total recognised gains and losses and a note of historical cost profits and losses are not shown as all gains and losses for the financial year are recognised in the profit and loss account under the historical cost convention.

Millfold Group Limited (formerly eaga Home Services Limited)

Balance sheet as at 31 May 2008

	Note	2008 £	2007 £
Fixed assets			
Tangible assets	4	-	-
Investments	5	-	658,105
		-	658,105
Current assets			
Debtors: falling due within one year	6	390,456	657,463
		390,456	657,463
Creditors: amounts falling due within one year	7	-	(564,822)
Net current assets		390,456	92,641
Net assets		390,456	750,746
Capital and reserves			
Called up share capital	8	54,757	54,757
Share premium account	9	335,699	335,699
Profit and loss account	9	-	360,290
Total shareholders' funds	10	390,456	750,746

The financial statements on pages 6 to 14 were approved by the Board of directors on 17 March 2009 and were signed on its behalf by:



M McMahon
Director

Millfold Group Limited (formerly eaga Home Services Limited)

Statement of accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and with the requirements of the Companies Act 1985. A summary of the accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by revaluation of certain tangible fixed assets and on the going concern basis.

Consolidation

The company is a wholly owned subsidiary of eaga plc and is included in the consolidated financial statements of eaga plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 228 of the Companies Act 1985.

Tangible fixed assets

Tangible fixed assets are stated at cost, including incidental expenses incurred on acquisition, less accumulated depreciation. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Plant and machinery	20%
Fixtures and fittings	10%
Computer equipment	25%

Fixed asset investments

Fixed asset investments are stated at cost, less any provision for impairment in value. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, have occurred at the balance sheet date. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent that they are considered recoverable in the future. Deferred tax balances are not discounted.

Cash flow statement

The company has taken advantage of the exemption allowed under Financial Reporting Standard 1 'Cash flow statements (revised 1996)' due to the fact that its cash flows are included in the consolidated financial statements of its ultimate parent company, which are publicly available. Accordingly, no cash flow statement has been prepared.

Millfold Group Limited (formerly eaga Home Services Limited)

Notes to the financial statements for the year ended 31 May 2008

1 Operating profit/(loss)

The operating profit/(loss) is stated after charging/(crediting):

	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Audit fees	2,000	1,000

The company had no employees during either year other than the directors. No director received remuneration for services to the company in either year.

2 Interest payable

	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Bank interest	-	7,783

3 Taxation

(a) Analysis of charge/(credit) in year

	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Current tax		
Adjustments in respect of prior years	9,014	(9,054)
Tax on profit/(loss) on ordinary activities	9,014	(9,054)

Millfold Group Limited (formerly eaga Home Services Limited)

3 Taxation (continued)

(b) Factors affecting the tax (charge)/credit for the year

The current tax charge/(credit) assessed for the year represents an effective rate of 17.3% (2007: 37.7%) on the profit/(loss) for the year which is different to the standard rate of corporation tax in the UK of 29.7% (2007: 30%). The differences are explained below:

	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Profit/(loss) on ordinary activities before taxation	51,934	(24,040)
Loss on ordinary activities multiplied by the standard rate of corporation tax of 29.7% (2007: 30%)	15,407	(7,212)
Effects of:		
Expenses not deductible for tax purposes	(15,407)	-
Group relief not paid	-	7,212
Adjustments in respect of prior years	9,014	(9,054)
Current tax charge/(credit) for the year	9,014	(9,054)

(c) Factors that may affect future tax charges

There are no factors that are expected to materially affect future tax charges.

Millfold Group Limited (formerly eaga Home Services Limited)

4 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 June 2007	3,099	3,804	6,903
Disposals	(3,099)	(3,804)	(6,903)
As at 31 May 2008	-	-	-
Depreciation			
At 1 June 2007	3,099	3,804	6,903
Disposals	(3,099)	(3,804)	(6,903)
As at 31 May 2008	-	-	-
Net book amount			
At 31 May 2008 and 31 May 2007	-	-	-

Millfold Group Limited (formerly eaga Home Services Limited)

5 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 June 2007	722,399
Disposals	(722,399)
At 31 May 2008	-
Provision for impairment	
At 1 June 2007	64,294
Charge for the year	324,576
Disposals	(388,870)
At 31 May 2008	-
Net book amount	
At 31 May 2008	-
At 31 May 2007	658,105

Investments were sold at their carrying amount to the parent undertaking during the year.

6 Debtors

	2008 £	2007 £
Amounts due from group undertakings	390,456	644,393
Corporation tax	-	9,054
Other debtors	-	4,016
	390,456	657,463

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

Millfold Group Limited (formerly eaga Home Services Limited)

7 Creditors: amounts falling due within one year

	2008 £	2007 £
Bank overdraft	-	545,914
Amounts owed to group undertakings	-	8,209
Other tax and social security	-	5,573
Accruals and deferred income	-	5,126
	-	564,822

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

8 Called up share capital

	2008 £	2007 £
Authorised		
100,000 ordinary shares of £1 each	100,000	100,000
Allotted, called-up and fully paid		
54,757 ordinary shares of £1 each	54,757	54,757

9 Reserves

	Share premium account £	Profit and loss account £
At 1 June 2007	335,699	360,290
Profit for the financial year	-	42,920
Dividends paid (note 11)	-	(403,210)
At 31 May 2008	335,699	-

Millfold Group Limited (formerly eaga Home Services Limited)

10 Reconciliation of movement in shareholders' funds

	Year ended 31 May 2008 £	Year ended 31 May 2007 £
Opening shareholders' funds	750,746	765,732
Profit/(loss) for the financial year	42,920	(14,986)
Dividends paid (note 11)	(403,210)	-
Closing shareholders' funds	390,456	750,746

11 Dividends

	2008 £	2007 £
Ordinary shares		
Interim paid: 736.36p (2007: Nilp) per £1 share	403,210	-

12 Related party transactions

The company has taken advantage of the exemption under Financial Reporting Standard 8 'Related Party Disclosures' not to disclose intra-group transactions. There are no other transactions to be disclosed under Financial Reporting Standard 8.

13 Parent undertakings and controlling parties

The ultimate parent company and controlling party is eaga plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the group accounts can be obtained from eaga House, Archbold Terrace, Jesmond, Newcastle upon Tyne, NE2 1DB.