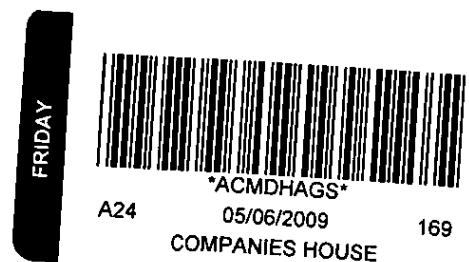


MATCHPROUD LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

These financial statements have not been audited as the company is exempt under s249A of the Companies Act 1985 from the requirement to obtain an audit of its financial statements.



MATCHPROUD LIMITED

COMPANY INFORMATION

DIRECTORS

J H Thomas
J M Thomas

COMPANY SECRETARY

J M Thomas

COMPANY NUMBER

2595939

REGISTERED OFFICE

C/o Bishop Fleming
Chartered Accountants
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

ACCOUNTANTS

Bishop Fleming
Chartered Accountants
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

BANKERS

Barclays Bank Plc
14 King Street
Truro
Cornwall
TR1 2RB

SOLICITORS

Bray & Dilks
33 & 34 Lemon Street
Truro
Cornwall
TR1 2NR

MATCHPROUD LIMITED

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MATCHPROUD LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008**

The directors present their report and the financial statements for the year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the retail and wholesale of health and wholefoods.

DIRECTORS


The directors who served during the year were:

J H Thomas

J M Thomas

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 and signed on its behalf.


.....
J M Thomas
Director

Date: 1/6/09

MATCHPROUD LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 £	2007 £
TURNOVER	1	1,327,967	1,359,061
Cost of sales		(1,030,018)	(1,055,839)
GROSS PROFIT		297,949	303,222
Administrative expenses		(312,204)	(306,692)
OPERATING LOSS	2	(14,255)	(3,470)
Interest receivable		-	17
Interest payable		(24,345)	(26,770)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(38,600)	(30,223)
Tax on loss on ordinary activities	4	7,411	1,379
LOSS FOR THE FINANCIAL YEAR	12	(31,189)	(28,844)

The notes on pages 5 to 10 form part of these financial statements.

MATCHPROUD LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	£	2008 £	£	2007 £
FIXED ASSETS					
Intangible fixed assets	5		13,292		18,792
Tangible fixed assets	6		318,910		331,069
			<u>332,202</u>		<u>349,861</u>
CURRENT ASSETS					
Stocks		135,551		162,486	
Debtors	7	75,161		68,207	
Cash in hand		507		507	
		<u>211,219</u>		<u>231,200</u>	
CREDITORS: amounts falling due within one year	8	(352,964)		(342,313)	
NET CURRENT LIABILITIES			<u>(141,745)</u>		<u>(111,113)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>190,457</u>		<u>238,748</u>
CREDITORS: amounts falling due after more than one year	9		(107,343)		(122,709)
PROVISIONS FOR LIABILITIES					
Deferred tax	10		-		(1,736)
NET ASSETS			<u>83,114</u>		<u>114,303</u>
CAPITAL AND RESERVES					
Called up share capital	11		150,000		150,000
Profit and loss account	12		(66,886)		(35,697)
SHAREHOLDERS' FUNDS			<u>83,114</u>		<u>114,303</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2008 and of its loss for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

MATCHPROUD LIMITED

**BALANCE SHEET (continued)
AS AT 31 DECEMBER 2008**

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



.....
J H Thomas
Director

Date: 1/6/09

The notes on pages 5 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

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 2007).

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.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK.

1.3 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Goodwill	- 20 years straight line
----------	--------------------------

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 50 years straight line
Plant & machinery	- 5 years straight line
Motor vehicles	- 20% reducing balance
Fixtures & fittings	- 10% reducing balance
Equipment	- 5 years straight line

1.5 STOCKS

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.

1.6 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 not discounted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. ACCOUNTING POLICIES (continued)**1.7 Pensions costs****Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.8 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.9 GOING CONCERN

The financial statements have been prepared on a going concern basis. In the opinion of the directors, the going concern basis is appropriate as the support of the company's directors and bankers will not be withdrawn in the foreseeable future.

2. OPERATING LOSS

The operating loss is stated after charging:

	2008 £	2007 £
Amortisation	5,500	5,500
Depreciation of tangible fixed assets: - owned by the company	14,070	14,095
Pension costs	5,338	5,334
	<u>24,908</u>	<u>24,929</u>

3. DIRECTORS' REMUNERATION

	2008 £	2007 £
Aggregate emoluments	57,321	56,958
	<u>57,321</u>	<u>56,958</u>

During the year retirement benefits were accruing to 2 directors (2007: 2) in respect of money purchase pension schemes.

MATCHPROUD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

4. TAXATION

	2008 £	2007 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
DEFERRED TAX (see note 10)		
Origination and reversal of timing differences	(7,411)	(1,379)
TAX ON LOSS ON ORDINARY ACTIVITIES	<u>(7,411)</u>	<u>(1,379)</u>

5. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2008 and 31 December 2008	110,000
AMORTISATION	
At 1 January 2008	91,208
Charge for the year	5,500
At 31 December 2008	<u>96,708</u>
NET BOOK VALUE	
At 31 December 2008	13,292
At 31 December 2007	<u>18,792</u>

6. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
COST						
At 1 January 2008	319,485	8,028	39,670	43,523	18,207	428,913
Additions	-	1,240	-	-	671	1,911
At 31 December 2008	<u>319,485</u>	<u>9,268</u>	<u>39,670</u>	<u>43,523</u>	<u>18,878</u>	<u>430,824</u>
DEPRECIATION						
At 1 January 2008	21,068	6,741	29,667	30,342	10,026	97,844
Charge for the year	6,189	648	1,318	2,636	3,279	14,070
At 31 December 2008	<u>27,257</u>	<u>7,389</u>	<u>30,985</u>	<u>32,978</u>	<u>13,305</u>	<u>111,914</u>
NET BOOK VALUE						
At 31 December 2008	<u>292,228</u>	<u>1,879</u>	<u>8,685</u>	<u>10,545</u>	<u>5,573</u>	<u>318,910</u>
At 31 December 2007	<u>298,417</u>	<u>1,287</u>	<u>10,003</u>	<u>13,181</u>	<u>8,181</u>	<u>331,069</u>

MATCHPROUD LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008****7. DEBTORS**

	2008 £	2007 £
Trade debtors	64,291	62,448
Other debtors	5,195	5,759
Deferred tax asset (see note 10)	5,675	-
	<u>75,161</u>	<u>68,207</u>

**8. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008 £	2007 £
Bank loans and overdrafts	150,407	120,550
Trade creditors	147,201	161,704
Social security and other taxes	7,226	5,450
Other creditors	48,130	54,609
	<u>352,964</u>	<u>342,313</u>

Included in other creditors is £30,764 (2007:£41,024) owed to the directors of the company Mr and Mrs J H Thomas. At no time during the year did Mr or Mrs J H Thomas owe any amounts to the company.

The bank loans and overdrafts are secured by the company.

**9. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2008 £	2007 £
Bank loans and overdrafts	<u>107,343</u>	<u>122,709</u>

Included within creditors falling due after more than one year is an amount of £51,118 (2007 - £37,656) in respect of liabilities which fall due for payment after more than five years from the balance sheet date.

The bank loans and overdrafts are secured by the company.

MATCHPROUD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

10. DEFERRED TAXATION

	2008 £	2007 £
At beginning of year	(1,736)	(3,115)
Released during year	7,411	1,379
At end of year	<u>5,675</u>	<u>(1,736)</u>

The deferred taxation balance is made up as follows:

	2008 £	2007 £
Accelerated capital allowances	(2,587)	(4,917)
Tax losses available	8,262	3,181
	<u>5,675</u>	<u>(1,736)</u>

11. SHARE CAPITAL

	2008 £	2007 £
AUTHORISED, ALLOTTED, CALLED UP AND FULLY PAID		
150,000 Ordinary shares of £1 each	<u>150,000</u>	<u>150,000</u>

12. RESERVES

	Profit and loss account £
At 1 January 2008	(35,697)
Loss for the year	(31,189)
At 31 December 2008	<u>(66,886)</u>

13. DIVIDENDS

	2008 £	2007 £
Dividends paid on equity capital	<u>-</u>	<u>10,199</u>

14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Mr and Mrs J H Thomas, the directors of the company, have each given a personal guarantee of £10,000 to the bank.

MATCHPROUD LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

15. CONTROLLING PARTY

The company is under the ultimate control of Mr and Mrs J H Thomas, who own the entire issued share capital.

16. GOING CONCERN

These financial statements have been prepared on a going concern basis. However, as at the balance sheet date the company's current liabilities exceeded the company's current assets by £141,809.