

**Farringford Limited**

**Directors' report and financial  
statements**

Registered number 3127490

31 March 2006



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## Directors' report

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

### Principal activities and business review

The company has not traded since the disposal of its property interest in 2005.

### Results and dividends

The profit for the financial year is £2,000 (2005: £20,000) and has been transferred to reserves. The directors do not recommend the payment of a dividend (2005: £nil).

### Directors

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

P L Hemmings (appointed 26 July 2005)  
M J Grindrod (appointed 21 December 2006)  
K Bolton (resigned 15 December 2006)  
K Revitt (resigned 15 July 2005)

The directors hold no interests in the share capital of the company.

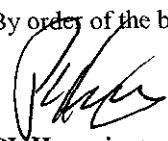
No rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

### Auditors

Pursuant to a shareholders' resolution the company is not obliged to re-appoint its auditors annually and KPMG LLP will therefore continue in office.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board

  
PL Hemmings  
Director

Lynton House  
Ackhurst Park  
CHORLEY  
Lancashire  
PR7 1NY

22 January 2007

## **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 and applicable law (UK Generally Accepted Accounting Practice).

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

Edward VII Quay  
Navigation Way  
Preston  
PR2 2YF  
United Kingdom

### **Independent auditor's report to the members of Farringford Limited**

We have audited the financial statements of Farringford Limited for the year ended 31 March 2006 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 2.

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.

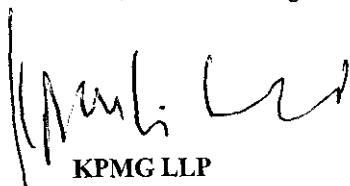
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent auditor's report to the members of Farringford Limited**  
*(continued)*

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2006 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.



**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

22/01/2007

## Profit and loss account

*for the year ended 31 March 2006*

	<i>Note</i>	<b>2006</b> <b>£000</b>	2005 £000
<b>Turnover</b>	<i>1</i>	-	25
Cost of sales		(3)	(5)
<b>Operating (loss)/profit</b>	<i>2</i>	<u>(3)</u>	<u>20</u>
Other interest receivable and similar income		5	6
<b>Profit on ordinary activities before taxation</b>		<u>2</u>	<u>26</u>
Taxation on profit on ordinary activities	<i>5</i>	-	(6)
<b>Profit for the financial year</b>	<i>10</i>	<u><u>2</u></u>	<u><u>20</u></u>

All amounts relate to discontinued activities.

There was no material difference between the reported profits and the historical cost profits of the company.

## Statement of total recognised gains and losses

*for the year ended 31 March 2006*

The profit and loss account includes the only gains and losses of the company for the current and prior year.

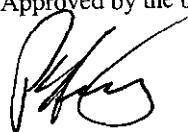
## Balance sheet

as at 31 March 2006

	Note	2006 £000	2005 £000
<b>Current assets</b>			
Debtors	6	-	5
Cash at bank and in hand		201	201
		<u>201</u>	<u>206</u>
<b>Creditors: amounts falling due within one year</b>	7	(3)	(10)
		<u>198</u>	<u>196</u>
<b>Net current assets</b>			
		<u>198</u>	<u>196</u>
<b>Total assets less current liabilities</b>			
		<u>198</u>	<u>196</u>
<b>Net assets</b>			
		<u>198</u>	<u>196</u>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account	9	198	196
		<u>198</u>	<u>196</u>
<b>Equity shareholders' funds</b>	10		
		<u>198</u>	<u>196</u>

Approved by the board of directors on 22 January

2007 and signed on its behalf by:



**PL Hemmings**  
Director



## Notes to the financial statements

### 1 Statement of accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards, under the historical cost convention.

The company is exempt from the requirement of Financial Reporting Standard ('FRS') 1 to prepare a cash flow statement as it is entitled to the filing exemptions as a small company under section s246 to 249 of the Companies Act 1985 when filing accounts with the Registrar of Companies.

#### *Turnover*

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers during the year. All turnover arises in the United Kingdom.

#### *Taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Full provision without discounting is made for deferred taxation in accordance with FRS 19.

### 2 Operating profit

	2006 £000	2005 £000
<i>Operating profit is stated</i>		
<i>after crediting:</i>		
Property rents receivable	-	7
<i>after charging:</i>		
Auditors' remuneration	1	1
	<u>1</u>	<u>1</u>

### 3 Staff number and costs

The only staff employed by the company were the directors who did not receive any remuneration from the company during the year (2005: £nil).

### 4 Interest receivable

	2006 £000	2005 £000
Interest receivable on bank deposits	5	6
	<u>5</u>	<u>6</u>

**Notes (continued)**

**5 Taxation on profit on ordinary activities**

	2006 £000	2005 £000
UK corporation tax at 30% (2005: 30%) on the profit for the year on ordinary activities	-	6
	<hr/>	<hr/>
	2006 £000	2005 £000
Profit on ordinary activities before taxation	2	26
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2005: 30%)	1	8
Other short term timing differences	(1)	(2)
	<hr/>	<hr/>
Current tax charge for the period	-	6
	<hr/>	<hr/>

**6 Debtors**

	2006 £000	2005 £000
Prepayments and accrued income	-	5
	<hr/>	<hr/>
	-	5
	<hr/>	<hr/>

**7 Creditors**

	2006 £000	2005 £000
<i>Amounts falling due within one year:</i>		
Corporation tax	2	6
Accruals and deferred income	1	4
	<hr/>	<hr/>
	3	10
	<hr/>	<hr/>

**Notes** *(continued)*

**8 Called up share capital**

	2006	2005
	£	£
<i>Authorised</i>		
100 ordinary shares of £1 each	100	100
	<u>          </u>	<u>          </u>
<i>Allotted and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>          </u>	<u>          </u>

**9 Reserves**

	Profit and loss account £000
At 1 April 2005	196
Profit for the financial year	2
	<u>          </u>
At 31 March 2006	198
	<u>          </u>

**10 Reconciliation of movement in shareholders' funds**

	2006	2005
	£000	£000
Profit for the financial year	2	20
Shareholders' funds at beginning of year	196	176
	<u>          </u>	<u>          </u>
Shareholders' funds at end of year	198	196
	<u>          </u>	<u>          </u>

**11 Ultimate controlling party**

The ultimate controlling party are the family interests of Mr TJ Hemmings.