

Company Registration No. 3332902 (England and Wales)

THE FETHER MILES GROUP LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2008



THE FETHER MILES GROUP LIMITED

COMPANY INFORMATION

Directors	K B Fether R Miles
Secretary	R Miles
Company number	3332902
Registered office	29/30 Fitzroy Square London W1T 6LQ
Accountants	Goodman Jones LLP 29/30 Fitzroy Square London W1T 6LQ
Bankers	Barclays Bank PLC 27 Soho Square London W1D 3QR

THE FETHER MILES GROUP LIMITED

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THE FETHER MILES GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2008

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

Principal activities

The principal activities of the company is that of a holding company and property investment

Directors

The following directors have held office since 1 April 2007

K B Fether
R Miles

Directors' interests

At the beginning and end of the year K B Fether held 795 'A' Ordinary shares of £0 10 each and R Miles owned 605 'B' Ordinary shares of £0 10 each

The directors do not recommend payment of an ordinary dividend

Directors' responsibilities

The directors are responsible for preparing 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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.

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

On behalf of the board



R Miles

27/5/08

THE FETHER MILES GROUP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2008

	Notes	2008 £	2007 £
Turnover		165,000	165,000
Administrative expenses		(44,863)	(52,811)
Operating profit	2	120,137	112,189
Investment income	3	19,000	41,000
Other interest receivable and similar income	3	349	1,006
Interest payable and similar charges		(15,670)	(15,810)
Profit on ordinary activities before taxation		123,816	138,385
Tax on profit on ordinary activities	4	(21,421)	(19,409)
Profit for the year	12	102,395	118,976

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

THE FETHER MILES GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	6	295,230		302,162	
Investments	7	37,238		37,238	
		<u>332,468</u>		<u>339,400</u>	
Current assets					
Cash at bank and in hand		1,675		22,208	
Creditors amounts falling due within one year	8	<u>(104,547)</u>		<u>(111,503)</u>	
Net current liabilities			<u>(102,872)</u>		<u>(89,295)</u>
Total assets less current liabilities			<u>229,596</u>		<u>250,105</u>
Creditors amounts falling due after more than one year	9		<u>(136,038)</u>		<u>(166,942)</u>
			<u>93,558</u>		<u>83,163</u>
Capital and reserves					
Called up share capital	11	1,540		1,540	
Other reserves		350		350	
Profit and loss account		91,668		81,273	
Shareholders' funds	13		<u>93,558</u>		<u>83,163</u>

THE FETHER MILES GROUP LIMITED

BALANCE SHEET

AS AT 31 MARCH 2008

In preparing these financial statements

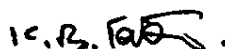
- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board and authorised for issue on 27/5/08



R Miles
Director



K B Fether
Director

THE FETHER MILES GROUP LIMITED

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

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Freehold Property	Straight line over fifty years
Fixtures & equipment	25% Straight line

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts

2 Operating profit	2008	2007
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	6,932	7,621

THE FETHER MILES GROUP LIMITED

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

3	Investment income	2008	2007
		£	£
	Income from shares in group undertakings	19,000	41,000
	Bank interest	213	876
	Other interest	136	130
		<u>19,349</u>	<u>42,006</u>
4	Taxation	2008	2007
		£	£
	Domestic current year tax		
	U K corporation tax	21,421	19,409
	Current tax charge	<u>21,421</u>	<u>19,409</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	123,816	138,385
		<u>123,816</u>	<u>138,385</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2007 - 19.00%)	24,763	26,293
		<u>24,763</u>	<u>26,293</u>
	Effects of		
	Depreciation add back	1,386	1,448
	Capital allowances	(103)	(131)
	Tax losses utilised	(825)	(411)
	Dividends and distributions received	(3,800)	(7,790)
		<u>(3,342)</u>	<u>(6,884)</u>
	Current tax charge	<u>21,421</u>	<u>19,409</u>
	The company has estimated losses of £ 6,058 (2007 - £ 10,186) available for carry forward against future trading profits		
5	Dividends	2008	2007
		£	£
	Ordinary interim paid	92,000	117,000
		<u>92,000</u>	<u>117,000</u>

THE FETHER MILES GROUP LIMITED

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

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2007 & at 31 March 2008	346,605	2,757	349,362
Depreciation			
At 1 April 2007	44,444	2,756	47,200
Charge for the year	6,932	-	6,932
At 31 March 2008	51,376	2,756	54,132
Net book value			
At 31 March 2008	295,229	1	295,230
At 31 March 2007	302,161	1	302,162

THE FETHER MILES GROUP LIMITED

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

7 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 1 April 2007 & at 31 March 2008	37,238
Net book value	
At 31 March 2008	37,238
At 31 March 2007	37,238

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
FM Design Limited	Great Britain	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2008 £	Profit/(loss) for the year 2008 £
FM Design Limited	Principal activity Designers	37,718	19,175

THE FETHER MILES GROUP LIMITED

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

8	Creditors amounts falling due within one year	2008 £	2007 £
	Trade creditors	2,362	1,851
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	41,237	53,855
	Taxation and social security	21,421	19,409
	Other creditors	39,527	36,388
		<u>104,547</u>	<u>111,503</u>
9	Creditors amounts falling due after more than one year	2008 £	2007 £
	Other loans	<u>136,038</u>	<u>166,942</u>
	Analysis of loans		
	Wholly repayable within five years	167,006	195,676
		<u>167,006</u>	<u>195,676</u>
	Included in current liabilities	(30,968)	(28,734)
		<u>136,038</u>	<u>166,942</u>
	Loan maturity analysis		
	In more than one year but not more than two years	33,791	31,217
	In more than two years but not more than five years	102,247	110,795
	In more than five years	-	24,930
		<u>-</u>	<u>24,930</u>

The building society loan of £167,006 is secured by a fixed charge over the company's freehold property

10 Pension costs

Defined contribution

	2008 £	2007 £
Contributions payable by the company for the year	<u>1,320</u>	<u>1,320</u>

THE FETHER MILES GROUP LIMITED

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

11 Share capital	2008 £	2007 £
Authorised		
8,600 Ordinary shares of £1 each	8,600	8,600
795 AA Ordinary shares of 10p each	80	80
605 BB Ordinary shares of 10p each	60	60
795 A Ordinary shares of £1 each	795	795
605 B Ordinary shares of £1 each	605	605
	<u>10,140</u>	<u>10,140</u>
Allotted, called up and fully paid		
800 AA Ordinary shares of 10p each	80	80
600 BB Ordinary shares of 10p each	60	60
795 A Ordinary shares of £1 each	795	795
605 B Ordinary shares of £1 each	605	605
	<u>1,540</u>	<u>1,540</u>

Rights of Shares

The 'AA' Ordinary Shares shall as a class be entitled to a preferential dividend equal to 795/1400 of the profits of the company available for distribution in any financial year excluding capital profits. If there are no 'AA' Ordinary Shares in issue the 'A' Ordinary Shares shall as a class be entitled to the said preferential dividend on the same terms. The 'BB' Ordinary Shares are entitled to same rights in respect of 'B' Ordinary Shares with a preferential dividend ratio of 605/1400.

The remaining profits of the company which are available for distribution and which the company determines to distribute in respect of any financial year shall be distributed only among the holders of Ordinary 'A' and 'B' Shares.

On a return of assets on liquidation or otherwise, any assets remaining after the payment of its liabilities shall be distributed among the holders of ordinary shares but subject thereto shall be distributed amongst the holders of 'A' and 'B' Ordinary Shares only pro rata to the amounts paid up or credited as paid up on such shares held by them.

Every holder of 'A' and 'B' Ordinary Shares shall be entitled to attend and vote at any general meeting of the company with one share representing one vote. The holders of 'AA' and 'BB' Ordinary Shares are not entitled to vote or attend except in relation to a resolution to vary rights attached to these shares which requires the approval of three-quarters of the nominal value of 'AA' and 'BB' Ordinary Shares.

THE FETHER MILES GROUP LIMITED

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

12 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2007	350	81,273
Profit for the year	-	102,395
Dividends paid	-	(92,000)
Balance at 31 March 2008	<u>350</u>	<u>91,668</u>

Other reserves

Capital redemption reserve

Balance at 1 April 2007 & at 31 March 2008

350

13 Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Profit for the financial year	102,395	118,976
Dividends	(92,000)	(117,000)
Net addition to shareholders' funds	<u>10,395</u>	<u>1,976</u>
Opening shareholders' funds	<u>83,163</u>	<u>81,187</u>
Closing shareholders' funds	<u>93,558</u>	<u>83,163</u>

14 Contingent liabilities

On 27 June 1997 the company entered into a composite guarantee with Barclays Bank Plc whereby there is a right of set off between all bank accounts held by the group companies. At 31 March 2008 the group's net bank borrowings amounted to £Nil (2007 £Nil)

15 Control

The company is controlled by K B Fether and R Miles

16 Related party transactions

Included in turnover is a management charge of £15,000 (2007 £15,000) made to FM Design Limited. At the balance sheet date the due to FM Design Limited was £41,237 (2007 £53,855)