

Registration Number 05442298

Great Sutton Number One Limited
Directors' Report and Financial Statements
for the year ended 31 May 2007



Great Sutton Number One Limited

Company Information

Directors	J C Best A W Buller (Jnr)
Secretary	J C Best
Company Number	05442298
Registered Office	Berry House 4 Berry Street London EC1V 0AA
Auditors	Leslie Michael Lipowicz & Co Accounts House 16 Dalling Road Hammersmith London W6 OJB
Business Address	Berry House 4 Berry Street London EC1V 0AA

Great Sutton Number One Limited

**Directors' Report
for the year ended 31 May 2007**

The directors present their report and the financial statements for the year ended 31 May 2007

Principal Activity

The company acted as agents on behalf of joint venture partners in conducting the operation of building activities

The company did not trade on its own behalf

Directors and their Interests

The directors who served during the year and their interests in the company are as stated below

	Ordinary shares	
	2007	2006
J C Best	-	-
A W Buller (Jnr)	-	-

Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to

- select suitable accounting policies and 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Leslie Michael Lipowicz & Co be reappointed as auditors of the company will be put to the Annual General Meeting

This report is 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 on 8 June 2007 and signed on its behalf by


J C Best
Secretary

Great Sutton Number One Limited

Independent auditors' report to the shareholders of Great Sutton Number One Limited

We have audited the financial statements of Great Sutton Number One Limited for the year ended 31 May 2007 which comprise the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective Jan 2005), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders 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 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 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 transactions with the company 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 United Kingdom Auditing Standards 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 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.

Great Sutton Number One Limited

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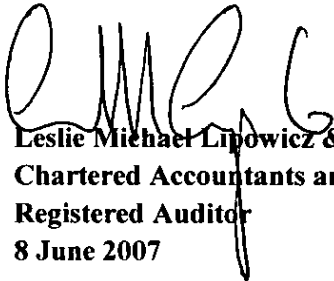
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Great Sutton Number One Limited

Independent auditors' report to the shareholders of Great Sutton Number One Limited continued

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985


Leslie Michael Lipowicz & Co
Chartered Accountants and
Registered Auditor
8 June 2007

Accounts House
16 Dalling Road
Hammersmith
London W6 0JB

Great Sutton Number One Limited

**Balance Sheet
as at 31 May 2007**

	Notes	2007		2006	
		£	£	£	£
Current Assets					
Debtors	2	100		100	
		<u>100</u>		<u>100</u>	
Net Current Assets			<u>100</u>		<u>100</u>
Total Assets Less Current Liabilities			<u>100</u>		<u>100</u>
Capital and Reserves					
Called up share capital	3		<u>100</u>		<u>100</u>
Shareholders' Funds			<u>100</u>		<u>100</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective Jan 2005)

The financial statements were approved by the Board on 8 June 2007 and signed on its behalf by


J C Best
Director


A W Buller (Jnr)
Director

The notes on page 5 form an integral part of these financial statements.

Great Sutton Number One Limited

**Notes to the Financial Statements
for the year ended 31 May 2007**

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective Jan 2005)

2. Debtors

	2007	2006
	£	£
Other debtors	<u>100</u>	<u>100</u>

3. Share capital

	2007	2006
	£	£
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

The Novelty Capsule Co UK Limited

Notes to the financial statements for the year ended 31 December 2006

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Leasehold property improvements-	2% on cost
Plant and machinery	- 15% Reducing balance method
Fixtures & fittings	- 15% Reducing balance method
Motor vehicles	- 25% Reducing balance method

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

1.5. Stock

Stock is valued at the lower of cost and net realisable value

The Novelty Capsule Co UK Limited

Notes to the financial statements for the year ended 31 December 2006

continued

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Turnover

Turnover attributable to geographical markets outside the United Kingdom amounted to 17.33% for the year (2005: 20.97%)

3. Operating profit

	2006	2005
	£	£
Operating profit is stated after charging		
Depreciation and other amounts written off tangible assets	<u>19,053</u>	<u>21,262</u>

The Novelty Capsule Co UK Limited

**Notes to the financial statements
for the year ended 31 December 2006**

continued

4. Directors' emoluments

	2006	2005
	£	£
Remuneration and other benefits	<u>30,267</u>	<u>39,000</u>

5. Tax on profit on ordinary activities

Analysis of charge in period	2006	2005
	£	£
Current tax		
UK corporation tax	573	897
Total current tax charge	<u>573</u>	<u>897</u>
Deferred tax		
Timing differences, origination and reversal	103	1,081
Total deferred tax	<u>103</u>	<u>1,081</u>
Tax on profit on ordinary activities	<u>676</u>	<u>1,978</u>

6. Tangible fixed assets	Leasehold property improvements	Plant and machinery	Fixtures and fittings	Motor vehicles	Cherished number plate	Total
	£	£	£	£	£	£
Cost						
At 1 January 2006	6,216	13,340	91,133	66,247	9,000	185,936
Additions	-	11,379	2,385	-	-	13,764
At 31 December 2006	<u>6,216</u>	<u>24,719</u>	<u>93,518</u>	<u>66,247</u>	<u>9,000</u>	<u>199,700</u>
Depreciation						
At 1 January 2006	695	7,147	39,981	33,194	-	81,017
Charge for the year	124	2,635	8,031	8,263	-	19,053
At 31 December 2006	<u>819</u>	<u>9,782</u>	<u>48,012</u>	<u>41,457</u>	<u>-</u>	<u>100,070</u>
Net book values						
At 31 December 2006	<u>5,397</u>	<u>14,937</u>	<u>45,506</u>	<u>24,790</u>	<u>9,000</u>	<u>99,630</u>
At 31 December 2005	<u>5,521</u>	<u>6,193</u>	<u>51,152</u>	<u>33,053</u>	<u>9,000</u>	<u>104,919</u>

The Novelty Capsule Co UK Limited

**Notes to the financial statements
for the year ended 31 December 2006**

continued

Included above are assets held under finance leases or hire purchase contracts as follows

Asset description	2006		2005	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>11,474</u>	<u>3,824</u>	<u>29,333</u>	<u>9,777</u>

7. Debtors	2006	2005
	£	£
Trade debtors	98,610	102,816
Amount owed by connected companies	8,704	1,834
Other debtors	<u>89,729</u>	<u>55,664</u>
	<u>197,043</u>	<u>160,314</u>
 8. Creditors: amounts falling due within one year	 2006	 2005
	£	£
Bank overdraft	137,607	243,727
Bank loan	66,667	-
Net obligations under finance leases and hire purchase contracts	6,633	14,949
Trade creditors	69,211	105,069
Corporation tax	573	897
Other taxes and social security costs	1,932	2,481
Directors' loan accounts	2,392	1,990
Other creditors	<u>68,475</u>	<u>40,751</u>
	<u>353,490</u>	<u>409,864</u>

The Novelty Capsule Co UK Limited

**Notes to the financial statements
for the year ended 31 December 2006**

continued

9. Creditors: amounts falling due after more than one year	2006 £	2005 £
Bank loan	116,667	-
Directors' loan account	100,000	100,000
Net obligations under finance leases and hire purchase contracts	3,869	11,194
	<u>220,536</u>	<u>111,194</u>

10. Provisions for liabilities and charges

	Deferred taxation £	Total £
At 1 January 2006	6,022	6,022
Movements in the year	103	103
At 31 December 2006	<u>6,125</u>	<u>6,125</u>

The provision for deferred taxation relates wholly to accelerated capital allowances

11. Share capital	2006 £	2005 £
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. Related party transactions

During the year The Novelty Capsule Co UK Limited invoiced The Novelty Vending Co. UK Limited £55,124 (2005 - £62,265) for the sale of goods and £18,330 (2005 - £12,690) in respect of management charges The Novelty Vending Co UK Limited paid for expenses on behalf of The Novelty Capsule Co UK Limited during the year totalling £11,471 (2005 - £10,856 (see also note 8))