

Company Registration No. 1023609 (England and Wales)

**COPY FOR
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COMPANIES**

**CANONBURY ANTIQUES LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2005**



**RICHARD ANTHONY & COMPANY
Chartered Accountants**

CANONBURY ANTIQUES LIMITED

COMPANY INFORMATION

Directors	M M Worster Mrs P E Worster
Secretary	M M Worster
Company number	1023609
Registered office	13 Station Road Finchley London N3 2SB
Accountants	Richard Anthony & Company 13 Station Road Finchley London N3 2SB

CANONBURY ANTIQUES LIMITED

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CANONBURY ANTIQUES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2005

The directors present their report and financial statements for the year ended 31 July 2005.

Principal activities

The principal activity of the company continued to be that of trading in antiques.

Directors

The following directors have held office since 1 August 2004:

M M Worster
Mrs P E Worster

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary Shares of £ 1 each	
	31 July 2005	1 August 2004
M M Worster	75	75
Mrs P E Worster	25	25

Charitable donations	2005	2004
	£	£

During the year the company made the following payments:

Charitable donations	330	220
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Directors' responsibilities

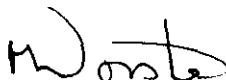
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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 which 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



M M Worster
Director
10 March 2006

CANONBURY ANTIQUES LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF CANONBURY ANTIQUES LIMITED

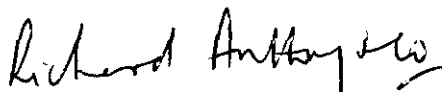
In accordance with the engagement letter dated 1 August 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Canonbury Antiques Limited for the year ended 31 July 2005, set out on pages 3 to 11 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this 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 Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 July 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Richard Anthony & Company

10 March 2006

Accountants

13 Station Road
Finchley
London
N3 2SB

CANONBURY ANTIQUES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2005

	Notes	2005 £	2004 £
Turnover		1,486,436	2,064,174
Cost of sales		(1,223,353)	(1,764,043)
Gross profit		263,083	300,131
Administrative expenses		(237,792)	(265,170)
Other operating income		80,000	80,000
Operating profit	2	105,291	114,961
Interest payable and similar charges	3	(84,652)	(78,496)
Profit on ordinary activities before taxation		20,639	36,465
Tax on profit on ordinary activities	4	-	(6,326)
Profit on ordinary activities after taxation	11	20,639	30,139

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.

CANONBURY ANTIQUES LIMITED

BALANCE SHEET AS AT 31 JULY 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	5		1,232,496		1,261,833
Current assets					
Stocks		542,726		556,341	
Debtors	6	686,990		628,093	
Cash at bank and in hand		1,489		971	
		<u>1,231,205</u>		<u>1,185,405</u>	
Creditors: amounts falling due within one year	7	<u>(806,735)</u>		<u>(977,426)</u>	
Net current assets			<u>424,470</u>		<u>207,979</u>
Total assets less current liabilities			<u>1,656,966</u>		<u>1,469,812</u>
Creditors: amounts falling due after more than one year	8		<u>(538,108)</u>		<u>(371,592)</u>
			<u>1,118,858</u>		<u>1,098,220</u>
Capital and reserves					
Called up share capital	10		100		100
Revaluation reserve	11		812,625		812,625
Profit and loss account	11		306,133		285,495
Shareholders' funds - equity interests	12		<u>1,118,858</u>		<u>1,098,220</u>

CANONBURY ANTIQUES LIMITED

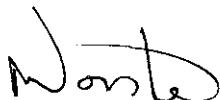
BALANCE SHEET (CONTINUED) AS AT 31 JULY 2005

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.

The financial statements were approved by the Board on 10 March 2006



M M Worster
Director



Mrs P E Worster
Director

CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, except for the following.

It is the company's policy not to depreciate freehold buildings. This contravenes the general provisions of Companies Act 1985 and Financial Reporting Standard 15. If such a provision for depreciation was made based on a useful economic life of 50 years, any charge would have been insignificant due to the high residual value of the freehold buildings.

1.3 Turnover

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

1.4 Tangible fixed assets and depreciation

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

Land and buildings Freehold	See note 1.2 above
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.5 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 a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Stock

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

1.7 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.

1.8 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - *Deferred tax*. *Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.*

1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2005

2	Operating profit	2005	2004
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	11,398	20,886
	Loss on foreign exchange transactions	-	3,105
	Directors' emoluments	12,968	48,636

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2003 - 2).

3	Interest payable	2005	2004
		£	£
	Included in interest payable is the following amount:		
	Hire purchase interest	2,218	860

4	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	-	6,326
	Current tax charge	-	6,326

Factors affecting the tax charge for the year

Profit on ordinary activities before taxation	20,639	36,465
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Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2004: 19.00%)

Effects of:

Non deductible expenses	1,772	415
Depreciation add back	2,165	3,968
Capital allowances	(6,829)	(4,350)
Other tax adjustments	2,892	(635)
	-	(602)

Current tax charge	-	6,326
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CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2005

5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost or valuation			
At 1 August 2004	1,191,384	215,918	1,407,302
Additions	-	755	755
Disposals	-	(108,680)	(108,680)
At 31 July 2005	1,191,384	107,993	1,299,377
Depreciation			
At 1 August 2004	-	145,469	145,469
On disposals	-	(89,986)	(89,986)
Charge for the year	-	11,398	11,398
At 31 July 2005	-	66,881	66,881
Net book value			
At 31 July 2005	1,191,384	41,112	1,232,496
At 31 July 2004	1,191,384	70,449	1,261,833

The freehold shop premises included under Land and Buildings were revalued on an open market value basis on 11th August 1999 by Leslie Marsh & Co. Limited, Estate Agents.

If this property was sold for the revalued amount it would be necessary to replace it with a similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

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

	Motor vehicles £
Net book values	
At 31 July 2005	16,341
At 31 July 2004	28,907
Depreciation charge for the year	
At 31 July 2005	5,447
At 31 July 2004	9,635

CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2005

6	Debtors	2005	2004
		£	£
	Trade debtors	600,976	580,570
	Other debtors	86,014	47,523
		<u>686,990</u>	<u>628,093</u>
7	Creditors: amounts falling due within one year	2005	2004
		£	£
	Bank loans and overdrafts	114,613	204,691
	Net obligations under hire purchase contracts	5,391	18,799
	Trade creditors	329,563	239,501
	Taxation and social security	11,537	20,136
	Other creditors	345,631	494,299
		<u>806,735</u>	<u>977,426</u>

The bank overdraft and the bank loans are secured by way of a charge on the freehold land and buildings at both 174 Westbourne Grove and 1 Church Street London.

CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2005

8	Creditors: amounts falling due after more than one year	2005	2004
		£	£
	Net obligations under hire purchase contracts	13,478	17,970
	Other creditors	524,630	353,622
		<u>538,108</u>	<u>371,592</u>
	Analysis of loans		
	Not wholly repayable within five years other than by instalments	314,778	240,655
	Wholly repayable within five years	340,823	252,106
	Included in current liabilities	(130,971)	(139,139)
		<u>524,630</u>	<u>353,622</u>
	Loan maturity analysis		
	In more than one year but not more than two years	52,463	-
	In more than two years but not more than five years	157,389	112,967
	In more than five years	314,778	240,655
		<u>524,630</u>	<u>465,622</u>
	Net obligations under hire purchase contracts		
	Repayable within one year	6,405	18,831
	Repayable between one and five years	16,014	17,970
		<u>22,419</u>	<u>36,801</u>
	Finance charges and interest allocated to future accounting periods	(3,550)	(32)
		<u>18,869</u>	<u>36,769</u>
	Included in liabilities falling due within one year	(5,391)	(18,799)
		<u>13,478</u>	<u>17,970</u>
9	Pension costs		
	Defined contribution		
		2005	2004
		£	£
	Contributions payable by the company for the year	<u>3,568</u>	<u>4,601</u>

CANONBURY ANTIQUES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2005

10 Share capital	2005	2004
	£	£
Authorised		
1,000 Ordinary Shares of £1 each	1,000	1,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	100	100
	<u> </u>	<u> </u>
11 Statement of movements on reserves		
	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 August 2004	812,625	285,494
Retained profit for the year	-	20,639
	<u> </u>	<u> </u>
Balance at 31 July 2005	812,625	306,133
	<u> </u>	<u> </u>
12 Reconciliation of movements in shareholders' funds	2005	2004
	£	£
Profit for the financial year	20,639	30,139
Opening shareholders' funds	1,098,220	1,068,081
	<u> </u>	<u> </u>
Closing shareholders' funds	1,118,858	1,098,220
	<u> </u>	<u> </u>

13 Control

The ultimate controlling party is M M Worster who is a director of the company.

14 Post balance sheet events

There were no significant post Balance Sheet events which materially affect the state of the company's affairs.