

Chantrey Vellacott DFK LLP

**Hobby Homes Limited**

**Unaudited abbreviated accounts**

**31 December 2008**

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COMPANIES HOUSE

**Hobby Homes Limited**

**Abbreviated accounts**

**Year ended 31 December 2008**

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**Hobby Homes Limited**

**Chartered accountants' report to the directors on the unaudited abbreviated accounts of Hobby Homes Limited**

**Year ended 31 December 2008**

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In accordance with the engagement letter dated 22 March 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the balance sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's directors, as a body, in accordance with the terms of our 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 directors that we have done so, and state those matters that 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 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 December 2008 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.

*Chantrey Vellacott DFK LLP*

CHANTREY VELLACOTT DFK LLP  
Chartered Accountants

London

*5 May 2009*

**Hobby Homes Limited**  
**Abbreviated balance sheet**  
**As at 31 December 2008**

|  | Note | 2008<br>£        | 2007<br>£        |
|--|------|------------------|------------------|
| <b>Fixed assets</b>  |      |                  |                  |
| Tangible assets  | 2    | <u>1,238,256</u> | <u>1,240,832</u> |
| <b>Current assets</b>  |      |                  |                  |
| Stocks   |      | 439,928          | 374,970          |
| Debtors  |      | 525,963          | 598,855          |
| Cash at bank and in hand                                       |      | <u>324,923</u>   | <u>168,292</u>   |
|  |      | <u>1,290,814</u> | <u>1,142,117</u> |
| <b>Creditors: amounts falling due within one year</b>          | 3    | <u>418,213</u>   | <u>446,343</u>   |
| <b>Net current assets</b>                                      |      | <u>872,601</u>   | <u>695,774</u>   |
| <b>Total assets less current liabilities</b>                   |      | <u>2,110,857</u> | <u>1,936,606</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 4    | <u>403,787</u>   | <u>428,569</u>   |
|  |      | <u>1,707,070</u> | <u>1,508,037</u> |
| <b>Capital and reserves</b>                                    |      |                  |                  |
| Called-up equity share capital                                 | 5    | 10,000           | 10,000           |
| Profit and loss account  |      | <u>1,697,070</u> | <u>1,498,037</u> |
| <b>Shareholders' funds</b>                                     |      | <u>1,707,070</u> | <u>1,508,037</u> |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 the Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors and authorised for issue on 5.5.2009, and are signed on their behalf by:

  
 .....  
 D P Tottman

The notes on pages 3 to 5 form part of these abbreviated accounts.

# Hobby Homes Limited

## Notes to the abbreviated accounts

Year ended 31 December 2008

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### 1. Accounting policies

#### Basis of accounting

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

#### Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

#### Turnover

The turnover shown in the profit and loss account represents the value of goods supplied during the year, exclusive of Value Added Tax.

#### Fixed assets

All fixed assets are initially recorded at cost.

#### Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                     |   |                                     |
|---------------------|---|-------------------------------------|
| Leasehold Property  | - | 50 years                            |
| Plant & Machinery   | - | 15% - 20% of cost per annum         |
| Fixtures & Fittings | - | 10% per annum on written down value |
| Motor Vehicles      | - | 25% per annum on written down value |

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

#### Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### 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.

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.

#### Financial instruments

Financial assets such as cash and debtors are measured at the present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## Hobby Homes Limited

### Notes to the abbreviated accounts

Year ended 31 December 2008

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#### 2. Fixed assets

|                            | Tangible<br>assets<br>£ |
|----------------------------|-------------------------|
| <b>Cost</b>                |                         |
| At 1 January 2008          | 1,440,174               |
| Additions                  | 56,724                  |
| Disposals                  | (54,804)                |
| <b>At 31 December 2008</b> | <u>1,442,094</u>        |
| <b>Depreciation</b>        |                         |
| At 1 January 2008          | 199,342                 |
| Charge for year            | 48,927                  |
| On disposals               | (44,431)                |
| <b>At 31 December 2008</b> | <u>203,838</u>          |
| <b>Net book value</b>      |                         |
| <b>At 31 December 2008</b> | <u>1,238,256</u>        |
| At 31 December 2007        | <u>1,240,832</u>        |

The land and buildings is owned on a long lease.

#### 3. Creditors: amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

|                           | 2008<br>£     | 2007<br>£     |
|---------------------------|---------------|---------------|
| Bank loans and overdrafts | 28,032        | 10,578        |
| Hire purchase agreements  | 33,207        | 23,681        |
|                           | <u>61,239</u> | <u>34,259</u> |

#### 4. Creditors: amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

|                           | 2008<br>£      | 2007<br>£      |
|---------------------------|----------------|----------------|
| Bank loans and overdrafts | 376,770        | 406,813        |
| Hire purchase agreements  | 27,017         | 21,757         |
|                           | <u>403,787</u> | <u>428,570</u> |

Included within creditors falling due after more than one year is an amount of £250,142 (2007 - £355,343) in respect of liabilities which fall due for payment after more than five years from the balance sheet date. Interest on the loan is charged at 2.5% above base rate and the loan is repayable by monthly instalments, expiring June 2020.

**Hobby Homes Limited**

**Notes to the abbreviated accounts**

**Year ended 31 December 2008**

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**5. Share capital**

**Authorised share capital:**

|                                   | 2008<br>£     | 2007<br>£     |
|-----------------------------------|---------------|---------------|
| 10,000 Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> |

**Allotted, called up and fully paid:**

|                            | 2008<br>No    | £             | 2007<br>No    | £             |
|----------------------------|---------------|---------------|---------------|---------------|
| Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> |

**6. Control**

The company is controlled by the directors, by virtue of their shareholdings.