

3068660

Report of the Directors and  
Unaudited Financial Statements  
for the Year Ended  
30 September 2008  
for  
AHG Group Limited



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for the Year Ended 30 September 2008

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AHG Group Limited

Company Information  
for the Year Ended 30 September 2008

**DIRECTORS:**

M M Halmkin  
R J Goldstone  
M A Ashmole

**SECRETARY:**

M M Halmkin

**REGISTERED OFFICE:**

Brockley Combe  
Backwell  
Somerset  
BS19 3DF

**REGISTERED NUMBER:**

3068660

**ACCOUNTANTS:**

Stanley Joseph Limited  
Chartered Accountants  
The Clock Tower  
Farleigh Court  
Old Weston Road, Flax Bourton  
Bristol  
BS48 1UR

AHG Group Limited

Report of the Directors  
for the Year Ended 30 September 2008

The directors present their report with the financial statements of the company for the year ended 30 September 2008.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture and retail of timber products, general contractors, property investment and the provision of consultancy services.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2007 to the date of this report.

M M Halmkin  
R J Goldstone  
M A Ashmole

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 Halmkin - Secretary

Date: 3. February 2009

AHG Group Limited

Profit and Loss Account  
for the Year Ended 30 September 2008

	Notes	30.9.08 £	30.9.07 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>271,486</u>	<u>304,390</u>
		(271,486)	(304,390)
Other operating income		<u>48,634</u>	<u>31,145</u>
<b>OPERATING LOSS</b>	2	(222,852)	(273,245)
Income from shares in group undertakings		<u>2,500,000</u>	<u>-</u>
		2,277,148	(273,245)
Interest payable and similar charges		<u>(70,065)</u>	<u>413,736</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,347,213	(686,981)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>152</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u>2,347,213</u>	<u>(687,133)</u>

The notes form part of these financial statements

AHG Group Limited

Statement of Total Recognised Gains and Losses  
for the Year Ended 30 September 2008

	30.9.08	30.9.07
	£	£
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	2,347,213	(687,133)
Revaluation of investment properties	<u>121,330</u>	<u>-</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES</b> <b>RELATING TO THE YEAR</b>	<u><u>2,468,543</u></u>	<u><u>(687,133)</u></u>

The notes form part of these financial statements

AHG Group Limited

Balance Sheet  
30 September 2008

	Notes	30.9.08		30.9.07	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	4		133		35,261
Investments	5		937,825		937,825
Investment property	6		<u>212,500</u>		<u>91,170</u>
			1,150,458		1,064,256
<b>CURRENT ASSETS</b>					
Debtors	7	158,816		35,805	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>659,066</u>		<u>2,918,396</u>	
<b>NET CURRENT LIABILITIES</b>					
			<u>(500,250)</u>		<u>(2,882,591)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>650,208</u>		<u>(1,818,335)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		30,000		30,000
Investment properties revaluation reserve	11		133,910		12,580
Profit and loss account	11		<u>486,298</u>		<u>(1,860,915)</u>
<b>SHAREHOLDERS' FUNDS</b>					
			<u>650,208</u>		<u>(1,818,335)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 September 2008.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2008 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

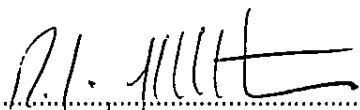
The notes form part of these financial statements

AHG Group Limited

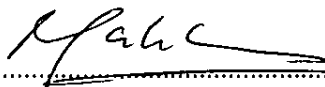
Balance Sheet - continued  
30 September 2008

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Directors on 3rd February 2009 and were signed on its behalf by:



.....  
R J Goldstone - Director



.....  
M M Halmkin - Director



Notes to the Financial Statements  
for the Year Ended 30 September 2008

1. **ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost and not provided
Plant and machinery etc	- at varying rates on cost

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Investments**

Investments in subsidiary undertakings are stated at cost less any provision for impairment. It is not felt that market value is an appropriate basis for valuation because the group is not listed on any stock exchange.

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

2. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	30.9.08	30.9.07
	£	£
Depreciation - owned assets	-	2,739
Profit on disposal of fixed assets	(77,055)	-
Auditors' remuneration	-	5,000
Pension costs	<u>111,180</u>	<u>72,000</u>
Directors' emoluments and other benefits etc	<u>153,360</u>	<u>168,100</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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3. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	30.9.08	30.9.07
	£	£
Deferred tax	<u>-</u>	<u>152</u>
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>152</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 October 2007	79,177	21,441	100,618
Disposals	<u>(79,177)</u>	<u>-</u>	<u>(79,177)</u>
At 30 September 2008	<u>-</u>	<u>21,441</u>	<u>21,441</u>
<b>DEPRECIATION</b>			
At 1 October 2007	44,049	21,308	65,357
Eliminated on disposal	<u>(44,049)</u>	<u>-</u>	<u>(44,049)</u>
At 30 September 2008	<u>-</u>	<u>21,308</u>	<u>21,308</u>
<b>NET BOOK VALUE</b>			
At 30 September 2008	<u>-</u>	<u>133</u>	<u>133</u>
At 30 September 2007	<u>35,128</u>	<u>133</u>	<u>35,261</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1 October 2007 and 30 September 2008	<u>949,002</u>
<b>PROVISIONS</b>	
At 1 October 2007 and 30 September 2008	<u>11,177</u>
<b>NET BOOK VALUE</b>	
At 30 September 2008	<u>937,825</u>
At 30 September 2007	<u>937,825</u>

AHG Group Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

5. **FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

**AHG Subsidiary Two Limited**

Nature of business: Renewable resource consultancy

	%		
Class of shares:	holding		
Ordinary £1	90.00	30.9.08	30.9.07
		£	£
Aggregate capital and reserves		132,136	825,937
(Loss)/Profit for the year		<u>(93,801)</u>	<u>153,400</u>

**The IDL Group Limited**

Nature of business: Renewable resource consultancy

	%		
Class of shares:	holding		
Ordinary £1	100.00	30.9.08	30.9.07
		£	£
Aggregate capital and reserves		24,497	(11,471)
Profit/(Loss) for the year		<u>35,968</u>	<u>(33,269)</u>

**Fountain Timber Products Limited**

Nature of business: Manufacture and retail of timber products

	%		
Class of shares:	holding		
Ordinary 10p shares	100.00	30.9.08	30.9.07
		£	£
Aggregate capital and reserves		1,034,994	2,237,253
Profit for the year		<u>205,523</u>	<u>516,262</u>

**Once A Tree Limited**

Nature of business: Manufacture and retail of timber products

	%		
Class of shares:	holding		
Ordinary £1 shares	100.00	30.9.08	30.9.07
		£	£
Aggregate capital and reserves		63,289	(45,740)
Profit/(Loss) for the year		<u>109,029</u>	<u>(115,971)</u>

AHG Group Limited

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

5. **FIXED ASSET INVESTMENTS - continued**

**Fountain International Limited**

Nature of business: Property investment

	% holding		
Class of shares:			
Ordinary £1	100.00		
		30.9.08	30.9.07
		£	£
Aggregate capital and reserves		100	538,654
(Loss)/Profit for the year		<u>(38,554)</u>	<u>66,626</u>

**Fountain International Group Limited**

Nature of business: Intermediate holding company

	% holding		
Class of shares:			
Ordinary £1	100.00		
		30.9.08	30.9.07
		£	£
Aggregate capital and reserves		89,226	300,459
Loss for the year		<u>(211,233)</u>	<u>-</u>

**Friends of the Forest Limited**

Nature of business: The company has now been struck off.

	% holding		
Class of shares:			
Ordinary £1	100.00		
		30.9.08	30.9.07
		£	£
Aggregate capital and reserves		<u>-</u>	<u>(18,593)</u>

**Gardner Wilson (Timber ) Limited**

Nature of business: The company has now been struck off

	% holding		
Class of shares:			
Ordinary £1	100.00		
		30.9.08	30.9.07
		£	£
Aggregate capital and reserves		<u>-</u>	<u>(9,035)</u>

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

5. **FIXED ASSET INVESTMENTS - continued**

**Fountain Renewable Resources Limited**

Nature of business: The company has now been struck off.

Class of shares:	%		
Ordinary £1	holding		
	100.00	30.9.08	30.9.07
		£	£
Aggregate capital and reserves		<u>-</u>	<u>300,459</u>

**Peat Charcoal Industries Limited**

Nature of business: The company is dormant.

Class of shares:	%
Ordinary £1 shares	holding
	60.00

The company owns indirectly 60% of the share capital of Peat Charcoal Industries Limited, a company which is dormant and registered in Scotland. The results have not been given on the grounds of materiality.

6. **INVESTMENT PROPERTY**

	Total
	£
<b>COST OR VALUATION</b>	
At 1 October 2007	91,170
Revaluations	<u>121,330</u>
At 30 September 2008	<u>212,500</u>
<b>NET BOOK VALUE</b>	
At 30 September 2008	<u>212,500</u>
At 30 September 2007	<u>91,170</u>

Some of the investment properties were revalued during the year by Messrs Bell Ingram, Chartered Surveyors, at a value of £32,500. The rest of the properties were revalued by the directors at current open market value as at 30 September 1998 of £180,000. Both these valuations have been incorporated into the financial statements. The directors do not consider their valuation to be materially different from the market valuation in 2008.

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

6. INVESTMENT PROPERTY - continued

Cost or valuation at 30 September 2008 is represented by:

	£
Valuation in 2008	121,330
Valuation in 2006	12,580
Cost	<u>78,590</u>
	<u>212,500</u>

If the investment property had not been revalued it would have been included at the following historical cost:

	30.9.08	30.9.07
	£	£
Cost	<u>78,590</u>	<u>78,590</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.08	30.9.07
	£	£
Other debtors	4,930	3,173
Amounts owed by subsidiary	151,025	29,951
VAT	<u>2,861</u>	<u>2,681</u>
	<u>158,816</u>	<u>35,805</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.08	30.9.07
	£	£
Bank loans and overdrafts	412,270	331,640
Tax	-	3,358
Social security and other taxes	3,106	3,889
Amounts owed to subsidiaries	129,016	2,469,509
Unsecured loan notes	90,000	110,000
Accrued expenses	<u>24,674</u>	-
	<u>659,066</u>	<u>2,918,396</u>

£50,000 (2007 - £60,000) and £40,000 (2007 - £50,000) respectively of the unsecured subordinated loan notes are held by the wives of the directors M A Ashmole and R J Goldstone and interest is payable quarterly at a rate of 9% per annum. During the year £10,000 was repaid to each of them.

Notes to the Financial Statements - continued  
for the Year Ended 30 September 2008

9. SECURED DEBTS

The following secured debts are included within creditors:

	30.9.08	30.9.07
	£	£
Bank overdrafts	<u>412,270</u>	<u>331,640</u>

The bank overdraft is secured by fixed and floating charges over all properties and assets present and future. The company is party to a joint and several letter of offset with its subsidiaries and an intercompany guarantee in favour of its bankers.

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.9.08	30.9.07
			£	£
30,000	Ordinary	£1	<u>30,000</u>	<u>30,000</u>

11. RESERVES

	Profit and loss account £	Investment properties revaluation reserve £	Totals £
At 1 October 2007	(1,860,915)	12,580	(1,848,335)
Profit for the year	2,347,213		2,347,213
Depreciation	<u>-</u>	<u>121,330</u>	<u>121,330</u>
At 30 September 2008	<u>486,298</u>	<u>133,910</u>	<u>620,208</u>

12. PENSION COMMITMENTS

The company operates a defined contribution scheme. The payments during the year amounted to £74,160 (2007 - £72,000). There were no prepaid or outstanding contributions at the balance sheet date.

13. CONTINGENT LIABILITIES

The company, along with certain of its subsidiaries, is party to a joint and several letter of set off and an inter company guarantee in favour of its bankers. The potential contingent liability in respect of this guarantee as at 30 September 2008 is £507,316 (2007 - £44,500).



**14. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is M A Ashmole, a director of the company.

**15. NON PREPARATION OF GROUP ACCOUNTS**

The financial statements present information about the company as an individual undertaking and not about its group. The company is claiming exemption from the requirement to prepare group accounts under the FRSSE.