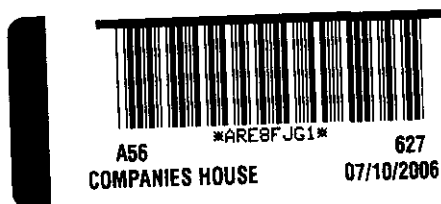


WEST OF ENGLAND ESTATE MANAGEMENT CO LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006



COMPANY NUMBER: 1501973

REPORT OF THE DIRECTORS

The directors present their annual report with the unaudited accounts of the company for the year ended 30 June 2006.

Principal activities

The principal activity of the company during the year under review was the management of leasehold properties.

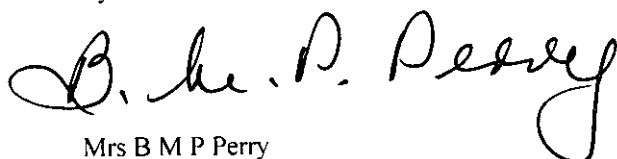
Directors

The directors during the year and their interests in the company's issued share capital, including family interests, were:

	<u>Number Of Ordinary Shares of £1 Each</u>
P P F Perry - Director	48
P M Perry - Director	51
Mrs B M P Perry	1

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

By Order Of The Board



Mrs B M P Perry
Secretary

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2006

	<u>Notes</u>	<u>2006</u>	<u>2005</u>
Turnover	1	225626	190570
Administrative expenses		(225730)	(196852)
Operating (loss)/profit	2	(104)	(6282)
Miscellaneous income		250	0
Loss on disposal of fixed assets		(3241)	(4816)
Interest receivable		208	134
Investment income		1713	1450
Profit on sale of investments		117	738
Interest payable		(926)	(240)
(Loss)/profit on ordinary activities before taxation		(1983)	(9016)
Taxation	3	(1476)	(15)
(Loss)/profit for year after taxation		£(3459)	£(9031)

There are no gains or losses other than the loss for the year.

The notes on pages 5 to 8 form an integral part of these financial statements.

BALANCE SHEET 30 JUNE 2006

	<u>Note</u>	<u>2006</u>	<u>2005</u>
Fixed assets:			
Tangible assets	4	11500	22422
Investments	5	<u>6544</u>	<u>6575</u>
Total fixed assets		<u>18044</u>	<u>28997</u>
Current assets:			
Debtors	6	43413	39872
Cash at bank and in hand		<u>161</u>	<u>61</u>
		43574	39933
Creditors: Amounts falling due within one year	7	<u>(26560)</u>	<u>(28798)</u>
Net current assets		<u>17014</u>	<u>11135</u>
Total assets less current liabilities		35058	40132
Creditors: Amounts falling due after more one year	8	<u>0</u>	<u>(2097)</u>
		35058	38035
Provisions for liabilities and charges			
Deferred taxation	9	<u>(597)</u>	<u>(115)</u>
Net assets		<u>£ 34461</u>	<u>£ 37920</u>
Capital and reserves:			
Called up share capital	10	100	100
Profit and loss account		<u>34361</u>	<u>37820</u>
Shareholders' funds	11	<u>£ 34461</u>	<u>£ 37920</u>


The notes on pages 5 to 8 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on

For the year in question, the company was entitled to exemption from an audit under section 249A(1) of the Companies Act 1985. No notice has been deposited under section 249B(2) of the Act in relation to the accounts for the financial year. The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- 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 of the Companies Act 1985, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

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

 Director

NOTES TO THE ACCOUNTS**FOR THE YEAR ENDED 30 JUNE 2006****1. Accounting policies.****Basis of accounting.**

The accounts have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover.

Turnover is the total amount, excluding Value Added Tax, receivable by the company for services provided.

Tangible fixed assets.

Depreciation is calculated to write down the cost of assets less their estimated residual value over their expected useful lives.

The annual depreciation rates and method of calculation is:

Furniture and equipment	15% reducing balance
Motor vehicles	25% reducing balance

Deferred taxation.

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Leased assets.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the lease term.

Pension costs.

The company operates a defined contribution scheme. Amounts are charged to the profit and loss account as they are accrued.

2. Operating loss:

Operating loss is stated after charging or including:

	<u>2006</u>	<u>2005</u>
Operating lease charges	18330	4193
Depreciation of tangible fixed assets	2032	5845
Directors' emoluments (including pension)	18175	30983
Pension contributions - defined contribution scheme	<u>2750</u>	<u>2750</u>

One director (2005: 1) is a member of a money purchase pension scheme.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2006/ continued

	<u>2006</u>	<u>2005</u>	
3. Taxation.			
Underprovision in previous year	876	0	
Deferred taxation adjustment	482	15	
Corporation tax on the results for the year	<u>118</u>	<u>0</u>	
	<u>£ 1476</u>	<u>£ 15</u>	
4. Tangible assets.	<u>Furniture & Equipment</u>	<u>Motor Vehicles</u>	<u>TOTAL</u>
Cost.			
As at 1 July 2005	39507	14285	53792
Additions	3151		3151
Disposals	<u> </u>	<u>(14285)</u>	<u>(14285)</u>
At 30 June 2006	<u>£ 42658</u>	<u>£ 0</u>	<u>£ 42658</u>
Depreciation.			
As at 1 July 2005	29126	2244	31370
Provided in year	2032		2032
On disposals	<u> </u>	<u>(2244)</u>	<u>(2244)</u>
At 30 June 2006	<u>£ 31158</u>	<u>£ 0</u>	<u>£ 31158</u>
Net Book Amounts.			
At 30 June 2006	<u>£ 11500</u>	<u>£ 0</u>	<u>£ 11500</u>
At 30 June 2005	<u>£ 10381</u>	<u>£ 12041</u>	<u>£ 22422</u>
5. Investments.			
Cost	<u>Portfolios of Ground Rents</u>	<u>Dormant Subsidiaries Shares</u>	<u>TOTAL</u>
As at 1 July 2005	6556	19	6575
Disposals	<u>(30)</u>	<u>(1)</u>	<u>(31)</u>
As at 30 June 2006	<u>£ 6526</u>	<u>£ 18</u>	<u>£ 6544</u>

NOTES TO THE ACCOUNTSFOR THE YEAR ENDED 30 JUNE 2006/ continued

6. Debtors.	<u>2006</u>	<u>2005</u>
Trade debtors	25429	26635
Other debtors	8785	4916
Loan to Subsidiary – Oval 765 Ltd	<u>9199</u>	<u>8321</u>
	<u>£ 43413</u>	<u>£ 39872</u>
 7. Creditors: Amounts falling due within one year.		
Bank overdraft	1096	5095
Hire purchase	0	903
Directors' loan accounts	604	1228
Trade creditors	4814	5811
Taxation	9493	9359
Other creditors	<u>10553</u>	<u>6402</u>
	<u>£ 26560</u>	<u>£ 28798</u>
 8. Creditors: Amounts falling due after one year		
Due 2-5 years by instalments:		
Hire purchase	<u>£ 0</u>	<u>£ 2097</u>
 9. Deferred taxation.		<u>Amount</u>
		<u>Provided</u>
		<u>2006</u>
Accelerated capital allowances:		
Provision at 1 July 2005		115
Adjustment profit and loss account		<u>482</u>
As at 30 June 2006		<u>£ 597</u>
 10. Called up share capital.	<u>Ordinary Shares of £1 Each</u>	
	<u>2006</u>	<u>2005</u>
Authorised	<u>£ 100</u>	<u>£ 100</u>
Allotted, called up and fully paid	<u>£ 100</u>	<u>£ 100</u>

NOTES TO THE ACCOUNTS**FOR THE YEAR ENDED 30 JUNE 2006/ continued**

	<u>2006</u>	<u>2005</u>
11. Shareholders' fund.		
Loss for year after taxation	(3459)	(9031)
Opening shareholders' funds at 1 July 2005	<u>37920</u>	<u>46951</u>
Closing shareholders' funds at 30 June 2006	<u>£ 34461</u>	<u>£ 37920</u>

12. Commitments.**Lease commitments – operating leases**

At 30 June 2006 the company had annual commitments of £13072 (2005 - £24072) under non-cancellable operating leases which expire within two to five years.

13. Related party transactions**Controlling party**

P M Perry, a director, controls the company by virtue of his interest of 51% of the issued ordinary share capital.

Wholly owned subsidiary – Oval 765 Ltd

During the year the company extended its loan to the above company, amount outstanding at 30 June 2006 £9199 (2005: £8321). This is a wholly owned subsidiary of West of England Estate Management Co Ltd.

Directors' loan account

During the course of the year the following directors operated a loan account with the company and the balance owing to them at 30 June 2006 was:

Mr P M Perry	£ 4	(2005 - £ 4)
Mr P P F Perry	£ 600	(2005 - £1224)