

**THE OSPREY MANAGEMENT COMPANY LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005**



THE OSPREY MANAGEMENT COMPANY LIMITED

REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 SEPTEMBER 2005

The directors present their report with the financial statements of the company for the year ended 30 September 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property management.

**DIRECTORS**

The directors during the year under review were:

V. S. N. Hards  
T. Osborne  
J. E. Brewer

The beneficial interests of the directors holding office on 30 September 2005 in the issued share capital of the company were as follows:

|                              | 30.9.05 | 1.10.04 |
|------------------------------|---------|---------|
| <b>Ordinary £1.00 shares</b> |         |         |
| V. S. N. Hards               | 60,000  | 60,000  |
| T. Osborne                   | -       | -       |
| J. E. Brewer                 | -       | -       |

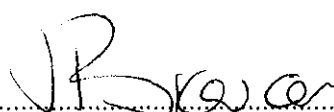
**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made the following charitable donations:-

|                       |      |
|-----------------------|------|
| Regain Sports Charity | £500 |
| The Isleworth Society | £100 |

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:**

  
.....  
J. E. Brewer - Secretary

Date: 19.12.2005

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

|  | Notes | 2005<br>£              | 2004<br>£           |
|--|-------|------------------------|---------------------|
| <b>TURNOVER</b>  |       | <b>140,830</b>         | <b>207,823</b>      |
| Cost of sales  |       | <u>(16,030)</u>        | <u>(16,052)</u>     |
| <b>GROSS PROFIT</b>                                      |       | <b>124,800</b>         | <b>191,771</b>      |
| Administrative expenses                                  |       | <u>(81,884)</u>        | <u>(75,974)</u>     |
| <b>OPERATING PROFIT</b>                                  | 2     | <b>42,916</b>          | <b>115,797</b>      |
| Interest receivable and similar income                   |       | <u>1,455</u>           | <u>471</u>          |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | <b>44,371</b>          | <b>116,268</b>      |
| Tax on profit on ordinary activities                     | 3     | <u>(9,265)</u>         | <u>(22,515)</u>     |
| <b>PROFIT FOR THE FINANCIAL YEAR<br/>AFTER TAXATION</b>  |       | <b>35,106</b>          | <b>93,753</b>       |
| Dividends  | 4     | <u>(65,000)</u>        | <u>(92,000)</u>     |
| <b>(DEFICIT)/RETAINED PROFIT FOR<br/>THE YEAR</b>        |       | <u><b>(29,894)</b></u> | <u><b>1,753</b></u> |

The notes form part of these financial statements

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

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|   | <b>2005</b>   | <b>2004</b>    |
|---|---------------|----------------|
|   | <b>£</b>      | <b>£</b>       |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                              | <b>35,106</b> | <b>93,753</b>  |
| Surplus arising on freehold revaluation                           | <b>42,392</b> | <b>125,050</b> |
|   | <hr/>         | <hr/>          |
| <b>TOTAL RECOGNISED GAINS AND LOSSES<br/>RELATING TO THE YEAR</b> | <b>77,498</b> | <b>218,803</b> |
|   | <hr/>         | <hr/>          |

*The notes form part of these financial statements*

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**BALANCE SHEET  
30 SEPTEMBER 2005**

|   | Notes | 2005<br>£      | 2004<br>£      |
|---|-------|----------------|----------------|
| <b>FIXED ASSETS</b>                           |       |                |                |
| Tangible assets                               | 5     | 508,666        | 473,161        |
| <b>CURRENT ASSETS</b>                         |       |                |                |
| Debtors                                       | 6     | 22,785         | 56,823         |
| Cash at bank and in hand                      |       | 40,691         | 59,674         |
|   |       | <u>63,476</u>  | <u>116,497</u> |
| <b>CREDITORS</b>                              |       |                |                |
| Amounts falling due within one year           | 7     | (47,939)       | (76,622)       |
| <b>NET CURRENT ASSETS</b>                     |       | <u>15,537</u>  | <u>39,875</u>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>  |       | <u>524,203</u> | <u>513,036</u> |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES</b> | 8     | (7,571)        | (8,902)        |
|   |       | <u>516,632</u> | <u>504,134</u> |
| <b>CAPITAL AND RESERVES</b>                   |       |                |                |
| Called up share capital                       | 9     | 60,000         | 60,000         |
| Revaluation reserve                           | 10    | 416,312        | 373,920        |
| Profit and loss account                       | 10    | 40,320         | 70,214         |
| <b>SHAREHOLDERS' FUNDS</b>                    |       | <u>516,632</u> | <u>504,134</u> |

The notes form part of these financial statements

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**BALANCE SHEET - continued  
30 SEPTEMBER 2005**

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The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 September 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2005 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.

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 June 2002).

**ON BEHALF OF THE BOARD:**

  
.....  
V. S. N. Hards - Director

Approved by the Board on 19. 12 . 2005

The notes form part of these financial statements

THE OSPREY MANAGEMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2005

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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 June 2002).

**Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT.

**Tangible fixed assets**

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

|                         |   |
|-------------------------|---|
| Plant and machinery etc | - 25% on cost and<br>at varying rates on cost |
|-------------------------|---|

In accordance with Statement of Standard Accounting Practice No. 19, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus or deficit on annual revaluation of such properties are transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the financial statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

**Deferred tax**

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

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

**2. OPERATING PROFIT**

The operating profit is stated after charging:

|   | <b>2005</b>         | <b>2004</b>         |
|---|---------------------|---------------------|
|   | <b>£</b>            | <b>£</b>            |
| Depreciation - owned assets   | <b><u>8,206</u></b> | <b><u>8,690</u></b> |
| Directors' emoluments   | <b><u>5,684</u></b> | <b><u>5,615</u></b> |
| The number of directors to whom retirement benefits were accruing was as follows: |                     |                     |
| Money purchase schemes  | <b><u>1</u></b>     | <b><u>1</u></b>     |

**3. TAXATION**

**Analysis of the tax charge**

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

|                                      | <b>2005</b>           | <b>2004</b>          |
|--------------------------------------|-----------------------|----------------------|
|                                      | <b>£</b>              | <b>£</b>             |
| Current tax:                         |                       |                      |
| UK corporation tax                   | <b>10,596</b>         | 23,410               |
| Deferred tax                         | <b><u>(1,331)</u></b> | <b><u>(895)</u></b>  |
| Tax on profit on ordinary activities | <b><u>9,265</u></b>   | <b><u>22,515</u></b> |

UK corporation tax has been charged at 19% (2004 - 19%).

**4. DIVIDENDS**

|                       | <b>2005</b>          | <b>2004</b>          |
|-----------------------|----------------------|----------------------|
|                       | <b>£</b>             | <b>£</b>             |
| Interim dividend paid | <b>65,000</b>        | 72,000               |
| Final                 | <b>-</b>             | 20,000               |
|                       | <b><u>65,000</u></b> | <b><u>92,000</u></b> |



**THE OSPREY MANAGEMENT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

**5. TANGIBLE FIXED ASSETS**

|                          | Freehold<br>investment<br>property<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Totals<br>£ |
|--------------------------|---|----------------------------------|----------------------------|-------------|
| <b>COST OR VALUATION</b> |   |                                  |                            |             |
| At 1 October 2004        | 423,920                                 | 121,682                          | 16,064                     | 561,666     |
| Additions                | -                                       | -                                | 1,319                      | 1,319       |
| Revaluations             | 42,392                                  | -                                | -                          | 42,392      |
| At 30 September 2005     | 466,312                                 | 121,682                          | 17,383                     | 605,377     |
| <b>DEPRECIATION</b>      |   |                                  |                            |             |
| At 1 October 2004        | -                                       | 76,907                           | 11,598                     | 88,505      |
| Charge for year          | -                                       | 6,084                            | 2,122                      | 8,206       |
| At 30 September 2005     | -                                       | 82,991                           | 13,720                     | 96,711      |
| <b>NET BOOK VALUE</b>    |   |                                  |                            |             |
| At 30 September 2005     | 466,312                                 | 38,691                           | 3,663                      | 508,666     |
| At 30 September 2004     | 423,920                                 | 44,775                           | 4,466                      | 473,161     |

Cost or valuation at 30 September 2005 is represented by:

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

|      | 2005<br>£ | 2004<br>£ |
|------|-----------|-----------|
| Cost | 50,000    | 50,000    |

Freehold land and buildings were valued on an open market basis on 30 September 2005 by the directors.

The last professional valuation of freehold investment properties was undertaken by Campsie Chartered Surveyors and Valuers on 30 September 2004, at this date they valued the properties at £423,920.

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|               | 2005<br>£ | 2004<br>£ |
|---------------|-----------|-----------|
| Trade debtors | 25        | 125       |
| Other debtors | 22,760    | 56,698    |
|               | 22,785    | 56,823    |

**THE OSPREY MANAGEMENT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2005**

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | 2005<br>£     | 2004<br>£     |
|---------------------------------|---------------|---------------|
| Corporation tax                 | 10,615        | 23,410        |
| Other taxes and social security | 5,782         | 7,130         |
| Proposed dividends              | -             | 20,000        |
| Other creditors                 | 19,088        | 2,302         |
| Directors' current accounts     | 3,527         | 10,977        |
| Accruals and deferred income    | 8,927         | 12,803        |
|                                 | <u>47,939</u> | <u>76,622</u> |

Directors' current account relates wholly to V.S.N. Hards.

**8. PROVISIONS FOR LIABILITIES AND CHARGES**

|              | 2005<br>£    | 2004<br>£    |
|--------------|--------------|--------------|
| Deferred tax | <u>7,571</u> | <u>8,902</u> |

|                                | <b>Deferred<br/>tax<br/>£</b> |
|--------------------------------|-------------------------------|
| Balance at 1 October 2004      | 8,902                         |
| Accelerated capital allowances | <u>(1,331)</u>                |
| Balance at 30 September 2005   | <u>7,571</u>                  |

If the revalued properties were realised at their revalued amount, the company would have to pay tax estimated at £69,000, based on a taxation rate of 19%. The company has no intention to sell these properties in the foreseeable future.

**9. CALLED UP SHARE CAPITAL**

Authorised:

| Number: | Class:   | Nominal<br>value: | 2005<br>£     | 2004<br>£     |
|---------|----------|-------------------|---------------|---------------|
| 75,000  | Ordinary | £1.00             | <u>75,000</u> | <u>75,000</u> |

Allotted, issued and fully paid:

| Number: | Class:   | Nominal<br>value: | 2005<br>£     | 2004<br>£     |
|---------|----------|-------------------|---------------|---------------|
| 60,000  | Ordinary | £1.00             | <u>60,000</u> | <u>60,000</u> |

**THE OSPREY MANAGEMENT COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2005**

**10. RESERVES**

|                      | Profit<br>and loss<br>account<br>£ | Revaluation<br>reserve<br>£ | Totals<br>£    |
|----------------------|------------------------------------|-----------------------------|----------------|
| At 1 October 2004    | 70,214                             | 373,920                     | 444,134        |
| Deficit for the year | (29,894)                           | -                           | (29,894)       |
| Revaluation in year  | -                                  | 42,392                      | 42,392         |
|                      | <u>40,320</u>                      | <u>416,312</u>              | <u>456,632</u> |
| At 30 September 2005 | <u>40,320</u>                      | <u>416,312</u>              | <u>456,632</u> |

**11. PENSION COMMITMENTS**

The company operates a defined contribution money purchase pension scheme for the benefit of a director. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £9,133 (2004 - £9,097).

There were no outstanding or prepaid contributions at the balance sheet date.

**12. TRANSACTIONS WITH DIRECTORS**

The company paid rent amounting to £3,000 (2004 - £3,000) to V. S. N. Hards a director of the company.

V. S. N. Hards is the company's ultimate controlling party.