

Company Number 1876080 (England & Wales)

PROPHOLD LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006



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PROPHOLD LIMITED

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PROPHOLD LIMITED
COMPANY INFORMATION

REGISTERED NUMBER:

1876080

DIRECTORS

James A Ramsden
Samantha D Leak

Appointed
10 November 2003
10 November 2003

Resigned

SECRETARY

Caversham Secretaries Limited
Malzard House
15 Union Street
St. Helier
Jersey

31 December 1998

BANKERS

Barclays Bank Plc
PO Box 8
13 Library Place
St Helier
Jersey

REGISTERED OFFICE

3 Bentinck Mews
London

PROPHOLD LIMITED
DIRECTORS REPORT
FOR THE YEAR ENDED 31 MARCH 2006

The Directors of the Company present their report to the Members together with the unaudited financial statements.

INCORPORATION

The Company was incorporated on 9 January 1985 in England and Wales.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company's principal activity during the year was the holding of investment properties.

RESULTS AND DIVIDENDS

The financial position of the Company as at 31 March 2006 and the profit for the year then ended are set out in the annexed accounts.

It is proposed that the net profit is transferred to reserves.

The Directors do not recommend the payment of a dividend.

DIRECTORS

The Directors of the Company during the year, who did not have any beneficial interests in the issued share capital, were as shown on page 1.

The average number of Directors during the year was two, (31 March 2005 two). The Company did not have any employees.

SECRETARY

The Secretary of the Company during the year was as shown on page 1.

SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year the Company had no subsidiaries or associated companies.

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Company Law requires the Directors to prepare financial statements for each financial period 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.

PROPHOLD LIMITED
DIRECTORS REPORT
FOR THE YEAR ENDED 31 MARCH 2006

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the relevant statutes. 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 WAS APPROVED
BY ORDER OF THE BOARD**

A handwritten signature in black ink, appearing to read 'A. Spaul', written over the printed name of the Secretary.

**FOR AND ON BEHALF OF
CAVERSHAM SECRETARIES LIMITED**
Secretary

DATE 12 June 2006

PROPHOLD LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2006**

	Notes	2006 £	2005 £
Turnover		19,305	21,680
Cost of sales		<u>9,681</u>	<u>15,801</u>
Gross profit		9,624	5,879
Administrative expenses		<u>6,541</u>	<u>9,224</u>
Operating profit/(loss)		3,083	(3,345)
Other interest receivable and similar income		57	47
Interest payable and similar charges		<u>-</u>	<u>(13,290)</u>
Profit/(loss) on ordinary activities before exceptional items		3,140	(16,588)
Profit on disposal of property		<u>-</u>	<u>280,170</u>
Profit on ordinary activities before taxation		3,140	263,582
Taxation	2	<u>(3,382)</u>	<u>12,853</u>
Retained profit for the year		6,522	250,729
Accumulated losses brought forward		<u>(997,444)</u>	<u>(1,248,173)</u>
Accumulated losses carried forward		<u>£ (990,922)</u>	<u>£ (997,444)</u>

The loss for the year derives entirely from continuing activities.

There were no recognised gains or losses for the year other than those included in the profit and loss account and therefore no separate Statement of Total Recognised Gains and Losses or movement in Equity shareholders funds has been prepared.

PROPHOLD LIMITED

BALANCE SHEET AS AT 31 MARCH 2006

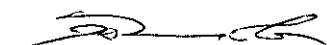
		2006		2005	
	Notes	£	£	£	£
FIXED ASSETS					
Freehold property	3		7,080		7,080
Leasehold property	4		204,025		204,025
Tangible assets	5		1		1
Loans receivable	6		640,846		678,443
			<u>851,952</u>		<u>889,549</u>
CURRENT ASSETS					
Debtors	7	8,000		8,000	
Cash at bank and in hand		<u>3,296</u>		<u>847</u>	
		11,296		8,847	
CREDITORS: amounts falling due within one year					
Creditors	8	18,160		20,525	
Loans payable	9	<u>-</u>		<u>39,305</u>	
		18,160		59,830	
NET CURRENT LIABILITIES			(6,864)		(50,983)
			<u>£ 845,088</u>		<u>£ 838,566</u>
CAPITAL AND RESERVES					
Share capital	10		1,836,010		1,836,010
Profit and loss account	11		<u>(990,922)</u>		<u>(997,444)</u>
Equity shareholders' funds			<u>£ 845,088</u>		<u>£ 838,566</u>

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 and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

The Financial Statements were approved by the board on *12 June 2006*



DIRECTOR

PROPHOLD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

Basis

The financial statements are prepared in accordance with Accounting Standards applicable in England and Wales.

Accounting convention

The financial statements are prepared under the historical cost convention.

Controlling party

The company is controlled by its directors. The ultimate controlling party is Pomoso (Overseas) Limited, a company incorporated in Jersey, Channel Islands.

Investment properties

Investment properties are stated at cost. Investment properties are not revalued to open market value, as required by Statement of Accounting Practice No.19 "Accounting for Investment Properties".

Income

Bank deposit interest is recognised on a receipts basis. Rental income is recognised on an accruals basis. Other income is recognised on a receipts basis.

2. TAX

	2006 £	2005 £
UK Corporation tax based on the profits for the year	-	12,863
Prior year adjustment	(3,382)	(10)
	<u>£ (3,382)</u>	<u>£ 12,853</u>

3. FREEHOLD PROPERTY

	2006	2005
Cartmere End Land	<u>£ 7,080</u>	<u>£ 7,080</u>

Freehold property comprises undeveloped land and is stated at cost.

PROPHOLD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

4. LEASEHOLD PROPERTY

	2006 £	2005 £
20 Florin Court	76,593	76,593
21 Florin Court	127,432	127,432
	<u>£ 204,025</u>	<u>£ 204,025</u>

The leasehold properties are held on a 125 year lease from 1 April 1998 with rent reviews after 25, 50, 75 and 100 years.

In the opinion of the Directors, the open market value of the investment properties is in excess of cost.

5. TANGIBLE ASSETS

	Fixtures and fittings £
Cost	
At 1st April 2005	
and 31st March 2006	<u>13,105</u>
Accumulated depreciation	
At 1st April 2005	
and 31st March 2006	<u>13,104</u>
Net book value	
At 31 March 2005	£ <u>1</u>
At 31 March 2006	£ <u>1</u>

6. LOANS RECEIVABLE

	2006	2005
Essoldo Entertainments Limited	£ <u>640,846</u>	£ <u>678,443</u>

The loan is unsecured and interest free with the repayment date unspecified.

PROPHOLD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2006

7. DEBTORS

	2006	2005
	£	£
Sundry debtors	<u>8,000</u>	<u>8,000</u>

8. CREDITORS

	2006 £	2005 £
Accruals	5,299	7,663
Tax payable	<u>12,861</u>	<u>12,862</u>
	<u>£ 18,160</u>	<u>£ 20,525</u>

9. LOANS PAYABLE

	2006	2005
	£	£
Amounts falling due within one year		
Barclays Bank	<u>-</u>	<u>39,305</u>

The loan was repaid on 1 April 2005.

10. SHARE CAPITAL

	2006 £	2005 £
Authorised:		
500,000 Ordinary Shares of £1 each.	500,000	500,000
2,000,000 Preference Shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>
	<u>£ 2,500,000</u>	<u>£ 2,500,000</u>
Allotted, issued and fully paid:		
10,000 Ordinary Shares of £1 each.	10,000	10,000
1,826,010 Preference Shares of £1 each	<u>1,826,010</u>	<u>1,826,010</u>
	<u>£ 1,836,010</u>	<u>£ 1,836,010</u>

PROPHOLD LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006**

11. PROFIT AND LOSS ACCOUNT

	2006 £	2005 £
Balance brought forward	(997,444)	(1,248,173)
Net Profit	<u>6,522</u>	<u>250,729</u>
Balance carried forward	£ <u>(990,922)</u>	£ <u>(997,444)</u>

12. CONTINGENT LIABILITIES

The Company had no contingent liabilities at 31 March 2006 or 31 March 2005.

13. CAPITAL COMMITMENTS

The Company had no capital commitments at 31 March 2006 or 31 March 2005.

14. RELATED PARTY TRANSACTIONS

James Ramsden is employed by Caversham Fiduciary Services Limited which provides administration services to the Company under an administration agreement.

During the year, there were the following material transactions with related parties:

Name of Related Party:	Caversham Fiduciary Services Limited
Nature of Relationship:	Financial Services Provider
Nature of Transaction:	Financial Services
Amount of Transaction:	£ 6,252