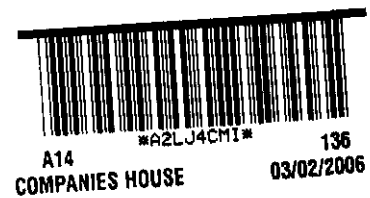


**REPORT OF THE DIRECTOR AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2005
FOR
B W PROPERTIES LTD**



B W PROPERTIES LTD

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FOR THE YEAR ENDED 5 APRIL 2005**

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B W PROPERTIES LTD
COMPANY INFORMATION
FOR THE YEAR ENDED 5 APRIL 2005

DIRECTOR: A. H. Habel

SECRETARY: S. T. Habel

REGISTERED OFFICE: Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

REGISTERED NUMBER: 2595553

ACCOUNTANTS: Rothman Pantall & Co.
Avebury House
6 St Peter Street
Winchester
Hampshire
SO23 8BN

BANKERS: H S B C Bank plc
58 High Street
Winchester
Hampshire
SO23 9BZ

B W PROPERTIES LTD
REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 5 APRIL 2005

The director presents his report with the financial statements of the company for the year ended 5 April 2005.

PRINCIPAL ACTIVITY

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

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

A. H. Habel was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	5.4.05	6.4.04
Ordinary £1 shares	1	1

The above share is held jointly with A D Properties Limited.

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:



A. H. Habel - Director

27 January 2006

B W PROPERTIES LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2005

	Notes	2005 £	2004 £
TURNOVER		66,456	66,591
Administrative expenses		25,652	14,666
OPERATING PROFIT	2	40,804	51,925
Interest receivable and similar income		235	8
		41,039	51,933
Interest payable and similar charges		22,382	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		18,657	51,933
Tax on profit on ordinary activities	3	3,104	10,289
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		15,553	41,644
RETAINED PROFIT FOR THE YEAR		15,553	41,644

The notes form part of these financial statements

B W PROPERTIES LTD

**BALANCE SHEET
5 APRIL 2005**

		2005		2004	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4		540,617		558,197
CURRENT ASSETS					
Stocks	5	872,079		-	
Debtors	6	8,292		9,577	
Prepayments and accrued income		143		-	
Cash at bank		6,788		5,000	
		<u>887,302</u>		<u>14,577</u>	
CREDITORS					
Amounts falling due within one year	7	970,211		130,555	
		<u>970,211</u>		<u>130,555</u>	
NET CURRENT LIABILITIES			<u>(82,909)</u>		<u>(115,978)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			457,708		442,219
PROVISIONS FOR LIABILITIES AND CHARGES	8		797		861
			<u>456,911</u>		<u>441,358</u>
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Revaluation reserve	10		142,974		142,974
Profit and loss account	10		313,837		298,284
SHAREHOLDERS' FUNDS			<u>456,911</u>		<u>441,358</u>

The notes form part of these financial statements

B W PROPERTIES LTD

BALANCE SHEET - continued
5 APRIL 2005

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 5 April 2005.

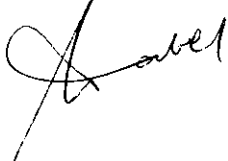
The members have not required the company to obtain an audit of its financial statements for the year ended 5 April 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The director acknowledges his 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:



A. H. Habel - Director

Approved by the Board on 27 January 2006

The notes form part of these financial statements

B W PROPERTIES LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

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

Office equipment - 15% on cost

Freehold investment property has been dealt with in accordance with SSAP19 and has been revalued by the director at the balance sheet date on an open market basis. No depreciation has been provided for in respect of freehold investment property.

Stocks

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

Deferred tax

Deferred tax is provided in respect of the tax effect of all timing differences at the rates of tax expected to apply when the timing differences reverse.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2005 £	2004 £
Depreciation - owned assets	2,038	1,676
Director's emoluments and other benefits etc	-	-

3. TAXATION

Analysis of the tax charge

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

	2005 £	2004 £
Current tax:		
UK corporation tax	3,167	9,428
Deferred tax	(63)	861
Tax on profit on ordinary activities	3,104	10,289

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

B W PROPERTIES LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2005**

4. TANGIBLE FIXED ASSETS

	Freehold investment property £	Office equipment £	Totals £
COST OR VALUATION			
At 6 April 2004	549,543	11,529	561,072
Additions	-	2,658	2,658
Reclassification/transfer	(18,200)	-	(18,200)
	<u>531,343</u>	<u>14,187</u>	<u>545,530</u>
DEPRECIATION			
At 6 April 2004	-	2,875	2,875
Charge for year	-	2,038	2,038
	<u>-</u>	<u>4,913</u>	<u>4,913</u>
NET BOOK VALUE			
At 5 April 2005	<u>531,343</u>	<u>9,274</u>	<u>540,617</u>
At 5 April 2004	<u>549,543</u>	<u>8,654</u>	<u>558,197</u>

The directors consider the open market value of the Freehold investment property as at 5th April 2005 to be £531,343. The historical cost of the freehold investment property as at 5th April 2005 was £388,369. If the freehold investment properties were sold at their current valuation of £531,343 tax of £27,165 would be payable, no provision has been made in these accounts for this additional taxation.

Cost or valuation at 5 April 2005 is represented by:

	Freehold investment property £	Office equipment £	Totals £
Valuation in 1999	122,974	-	122,974
Valuation in 2001	20,000	-	20,000
Cost	388,369	14,187	402,556
	<u>531,343</u>	<u>14,187</u>	<u>545,530</u>

5. STOCKS

	2005 £	2004 £
Trading stocks	<u>872,079</u>	<u>-</u>

Trading stocks relate to costs incurred to date in respect of the development of ten two bedroomed flats for resale.

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £	2004 £
Trade debtors	<u>8,292</u>	<u>9,577</u>

B W PROPERTIES LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2005**

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Bank loans and overdrafts	693,944	-
Trade creditors	34,200	1,528
Amounts owed to group undertakings	216,732	112,647
Taxation and social security	4,663	11,780
Other creditors	20,672	4,600
	<u>970,211</u>	<u>130,555</u>

8. PROVISIONS FOR LIABILITIES AND CHARGES

	2005	2004
	£	£
Deferred taxation		
Provision at start of period	861	-
Deferred tax charge in the profit and loss account	(63)	861
Provision at end of period	<u>797</u>	<u>861</u>

No provision has been made for additional taxation of £27,165 which would arise if the freehold investment properties were disposed of at the revalued amount, as there does not exist at the balance sheet date an intention nor an agreement to sell the properties.

9. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

10. RESERVES

	Profit and loss account	Revaluation reserve	Totals
	£	£	£
At 6 April 2004	298,284	142,974	441,258
Retained profit for the year	15,553	-	15,553
At 5 April 2005	<u>313,837</u>	<u>142,974</u>	<u>456,811</u>

B W PROPERTIES LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 5 APRIL 2005**

11. POST BALANCE SHEET EVENTS

Since the year end the company has sold 2 of the new flats with another 3 sales expected to be completed in the near future.

12. ULTIMATE HOLDING COMPANY

The ultimate holding company of B W Properties Limited is A D Properties Limited, a company incorporated in England and Wales. A D Properties Limited is the beneficial owner of 100% of the issued share capital of B W Properties Limited. Group accounts are not prepared as A D Properties Limited is exempt from preparing group accounts under S248 of the Companies Act 1985.

13. ULTIMATE CONTROLLING PARTY

Throughout the year the company was under the ultimate control of A H Habel, the director of the company and holder of 51% of the issued share capital of A D Properties and the director of that company.