

*Keystar*

Company Registration No. 2865680 (England and Wales)

**MANUAL INVESTING LIMITED**  
**DIRECTOR'S REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2005**



# MANUAL INVESTING LIMITED

## COMPANY INFORMATION

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|                   |   |
|-------------------|---|
| Director          | R G Tizzard   |
| Secretary         | S L Tizzard   |
| Company number    | 2865680   |
| Registered office | 82 St John Street<br>London<br>EC1M 4JN                         |
| Accountants       | Vantis Group Limited<br>82 St John Street<br>London<br>EC1M 4JN |

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# MANUAL INVESTING LIMITED

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# MANUAL INVESTING LIMITED

## DIRECTOR'S REPORT FOR THE YEAR ENDED 31 OCTOBER 2005

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The director presents his report and financial statements for the year ended 31 October 2005.

### Principal activities

The principal activity of the company is property investment.

### Director

The following director has held office since 1 November 2004:

R G Tizzard

### Director's interests

The director's interest in the shares of the company was as stated below:

|             | Ordinary shares of £1 each |                 |
|-------------|----------------------------|-----------------|
|             | 31 October 2005            | 1 November 2004 |
| R G Tizzard | 500                        | 500             |

### Director's responsibilities

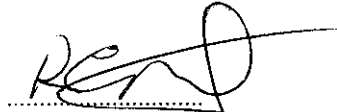
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the director is required to:

- 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.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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 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



R G Tizzard

Director

# MANUAL INVESTING LIMITED

## ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE UNAUDITED ACCOUNTS OF MANUAL INVESTING LIMITED

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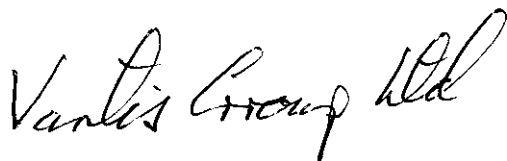
In accordance with our engagement letter, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 October 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



Vantis Group Limited

82 St John Street  
London  
EC1M 4JN

.....18th May 2006

# MANUAL INVESTING LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2005

|  |           | 2005     | 2004     |
|--|-----------|----------|----------|
|  | Notes     | £        | £        |
| <b>Turnover</b>                                      |           | 79,553   | 81,912   |
| Administrative expenses                              |           | (9,962)  | (7,841)  |
| <b>Operating profit</b>                              | <b>2</b>  | 69,591   | 74,071   |
| Other interest receivable and similar income         |           | 1,452    | 1,572    |
| Interest payable and similar charges                 |           | (11,150) | (14,901) |
| <b>Profit on ordinary activities before taxation</b> |           | 59,893   | 60,742   |
| Tax on profit on ordinary activities                 | <b>3</b>  | (10,224) | (11,456) |
| <b>Profit on ordinary activities after taxation</b>  | <b>11</b> | 49,669   | 49,286   |

# MANUAL INVESTING LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 OCTOBER 2005

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|  | 2005          | 2004          |
|--|---------------|---------------|
|  | £             | £             |
| Profit for the financial year                          | 49,669        | 49,286        |
| Unrealised surplus on revaluation of properties        | 37,500        | 50,000        |
| Total recognised gains and losses relating to the year | <u>87,169</u> | <u>99,286</u> |

# MANUAL INVESTING LIMITED

## BALANCE SHEET AS AT 31 OCTOBER 2005

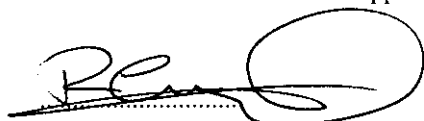
|   | Notes   | 2005<br>£        | 2004<br>£        |
|---|---------|------------------|------------------|
| <b>Fixed assets</b>                                   |         |                  |                  |
| Tangible assets                                       | 4 and 5 | 988,334          | 951,667          |
| Investments   | 6       | 20,000           | 20,000           |
|   |         | <u>1,008,334</u> | <u>971,667</u>   |
| <b>Current assets</b>                                 |         |                  |                  |
| Debtors   | 7       | 12,574           | 11,534           |
| Cash at bank and in hand                              |         | 87,155           | 36,055           |
|   |         | <u>99,729</u>    | <u>47,589</u>    |
| <b>Creditors: amounts falling due within one year</b> | 8       | <u>(523,067)</u> | <u>(521,429)</u> |
| <b>Net current liabilities</b>                        |         | <u>(423,338)</u> | <u>(473,840)</u> |
| <b>Total assets less current liabilities</b>          |         | <u>584,996</u>   | <u>497,827</u>   |
| <b>Capital and reserves</b>                           |         |                  |                  |
| Called up share capital                               | 10      | 500              | 500              |
| Share premium account                                 | 11      | 16,325           | 16,325           |
| Revaluation reserve                                   | 11      | 372,226          | 334,726          |
| Other reserves  | 11      | 1,500            | 1,500            |
| Profit and loss account                               | 11      | 194,445          | 144,776          |
| <b>Shareholders' funds</b>                            |         | <u>584,996</u>   | <u>497,827</u>   |

In preparing these financial statements:

- The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The director acknowledges his 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, 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 June 2002).

The financial statements were approved by the Board on 18/10/06.....



R G Tizzard  
Director



# MANUAL INVESTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2005

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2 Turnover

Turnover represents amounts receivable for rent from operating leases.

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

|                                |              |
|--------------------------------|--------------|
| Fixtures, fittings & equipment | over 3 years |
|--------------------------------|--------------|

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the Standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision has been made for deferred tax on gains arising from revaluing property to its market value as the company does not intend to sell the revalued assets.

### 2 Operating profit

|  | 2005 | 2004 |
|--|------|------|
|  | £    | £    |
| Operating profit is stated after charging: |      |      |
| Depreciation of tangible assets            | 833  | 833  |

# MANUAL INVESTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

| 3 | Taxation                         | 2005<br>£     | 2004<br>£     |
|---|----------------------------------|---------------|---------------|
|   | <b>Domestic current year tax</b> |               |               |
|   | U.K. corporation tax             | 10,500        | 11,500        |
|   | Adjustment for prior years       | (276)         | (44)          |
|   | <b>Current tax charge</b>        | <u>10,224</u> | <u>11,456</u> |

| 4 | Tangible fixed assets                   | Computer<br>equipment<br>£ |
|---|---|----------------------------|
|   | <b>Cost or valuation</b>                |                            |
|   | At 1 November 2004 & at 31 October 2005 | <u>2,500</u>               |
|   | <b>Depreciation</b>                     |                            |
|   | At 1 November 2004                      | 833                        |
|   | Charge for the year                     | 833                        |
|   | At 31 October 2005                      | <u>1,666</u>               |
|   | <b>Net book value</b>                   |                            |
|   | At 31 October 2005                      | <u>834</u>                 |
|   | At 31 October 2004                      | <u>1,667</u>               |

| 5 | Tangible fixed assets    | Investment<br>properties<br>£ |
|---|--------------------------|-------------------------------|
|   | <b>Cost or valuation</b> |                               |
|   | At 1 November 2004       | 950,000                       |
|   | Revaluation              | 37,500                        |
|   | At 31 October 2005       | <u>987,500</u>                |

The investment property was revalued by the director at £987,500. The historical cost of the property is £615,274 (2004: £615,274).

# MANUAL INVESTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

### 6 Fixed asset investments

|   | Unlisted<br>investments<br>£ |
|---|------------------------------|
| <b>Cost or valuation</b>                |                              |
| At 1 November 2004 & at 31 October 2005 | 20,000                       |

| 7 Debtors     | 2005<br>£ | 2004<br>£ |
|---------------|-----------|-----------|
| Other debtors | 12,574    | 11,534    |

| 8 Creditors: amounts falling due within one year | 2005<br>£ | 2004<br>£ |
|--|-----------|-----------|
| Taxation and social security                     | 10,651    | 11,500    |
| Other creditors                                  | 512,416   | 509,929   |
|  | 523,067   | 521,429   |

### 9 Provisions for liabilities and charges

Deferred taxation provided in the financial statements and the amounts not provided are as follows:

|                                       | 2005<br>£ | Not provided<br>2004<br>£ | 2005<br>£ | Provided<br>2004<br>£ |
|---------------------------------------|-----------|---------------------------|-----------|-----------------------|
| On revaluation of investment property | 56,900    | 52,900                    | -         | -                     |

| 10 Share capital                          | 2005<br>£ | 2004<br>£ |
|---|-----------|-----------|
| <b>Authorised</b>                         |           |           |
| 10,000 Ordinary shares of £1 each         | 10,000    | 10,000    |
| <b>Allotted, called up and fully paid</b> |           |           |
| 500 Ordinary shares of £1 each            | 500       | 500       |

# MANUAL INVESTING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2005

### 11 Statement of movements on reserves

|                              | Share<br>premium<br>account<br>£ | Revaluation<br>reserve<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit and loss<br>account<br>£ |
|------------------------------|----------------------------------|-----------------------------|---------------------------------------|---------------------------------|
| Balance at 1 November 2004   | 16,325                           | 334,726                     | 1,500                                 | 144,776                         |
| Retained profit for the year | -                                | -                           | -                                     | 49,669                          |
| Revaluation during the year  | -                                | 37,500                      | -                                     | -                               |
| Balance at 31 October 2005   | 16,325                           | 372,226                     | 1,500                                 | 194,445                         |

### 12 Control

The ultimate controlling party is Mr R G Tizzard, the sole director and shareholder of the company.

### 13 Related party transactions

Included in other creditors is an amount of £277,684 (2004: £274,056) owed to the director.

Also included in other creditors is an amount of £223,000 (2004: £223,000) owed to Mrs S L Tizzard, the wife of the director of the company. This loan is repayable when the company is able, and chooses to do so, and interest is payable at 5% p.a., in advance, on the anniversary of the loan issue.