

**REPORT OF THE DIRECTOR AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004  
FOR  
CHOLSO LIMITED**



**CHOLSO LIMITED**

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for the Year Ended 31 December 2004**

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**CHOLSO LIMITED**  
**COMPANY INFORMATION**  
**for the Year Ended 31 December 2004**

**DIRECTOR:** C E Nicholson

**SECRETARY:** P C Nicholson

**REGISTERED OFFICE:** The Bellbourne  
103 High Street  
Esher  
Surrey  
KT10 9QE

**REGISTERED NUMBER:** 2909590 (England and Wales)

**ACCOUNTANTS:** Body Dubois Limited  
Chartered Accountants  
The Bellbourne  
103 High Street  
Esher  
Surrey KT10 9QE

**CHOLSO LIMITED**

**REPORT OF THE DIRECTOR  
for the Year Ended 31 December 2004**

The director presents his report with the financial statements of the company for the year ended 31 December 2004.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property refurbishment, development and investment.

**DIRECTOR**

C E Nicholson was the sole director during the year under review.

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

	<b>31.12.04</b>	<b>1.1.04</b>
Ordinary shares £1 shares	100	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:**

A handwritten signature in black ink, appearing to read 'C E Nicholson', with a large, stylized flourish at the end.

C E Nicholson - Director

13 June 2005

**CHOLSO LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
for the Year Ended 31 December 2004

		Year Ended 31.12.04	Period 1.9.02 to 31.12.03
	Notes	£	£
<b>TURNOVER</b>		-	746,129
Cost of sales		-	420,811
<b>GROSS PROFIT</b>		-	325,318
Administrative expenses		20,138	31,828
		(20,138)	293,490
Other operating income		17,746	22,667
<b>OPERATING (LOSS)/PROFIT</b>	2	(2,392)	316,157
Interest receivable and similar income		190	717
		(2,202)	316,874
Interest payable and similar charges		10,479	31,268
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(12,681)	285,606
Tax on (loss)/profit on ordinary activities	3	(2,315)	52,770
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		(10,366)	232,836
Dividends	4	-	1,500
		(10,366)	231,336
Retained profit brought forward		368,460	137,124
<b>RETAINED PROFIT CARRIED FORWARD</b>		<b>£358,094</b>	<b>£368,460</b>

The notes form part of these financial statements

**CHOLSO LIMITED**

**BALANCE SHEET**  
**31 December 2004**

		31.12.04		31.12.03	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	5		64,746		65,037
<b>CURRENT ASSETS:</b>					
Stocks		357,520		356,581	
Debtors	6	231,050		35,636	
Cash at bank		10,495		97,893	
		<u>599,065</u>		<u>490,110</u>	
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>254,042</u>		<u>132,729</u>	
<b>NET CURRENT ASSETS:</b>			<u>345,023</u>		<u>357,381</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>409,769</u>		<u>422,418</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	8		<u>51,575</u>		<u>53,858</u>
			<u><u>£358,194</u></u>		<u><u>£368,560</u></u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	10		100		100
Profit and loss account			<u>358,094</u>		<u>368,460</u>
<b>SHAREHOLDERS' FUNDS:</b>			<u><u>£358,194</u></u>		<u><u>£368,560</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2004 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.

**CHOLSO LIMITED**

**BALANCE SHEET**  
**31 December 2004**

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 handwritten signature in black ink, appearing to read 'C E Nicholson', with a stylized flourish at the end.

C E Nicholson - Director

Approved by the Board on 13 June 2005

# CHOLSO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2004

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

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

Turnover represents proceeds from sale of properties.

#### Tangible fixed assets

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

Computer systems	- 33% on cost
Fixtures and fittings	- 15% on cost
Plant & machinery	- 25% on cost

#### Stocks

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

#### Pensions

As from April 1999 the company pays regular amounts into a Regular Contribution Pension Plan.

### 2. OPERATING (LOSS)/PROFIT

The operating loss (2003 - operating profit) is stated after charging:

	Year Ended 31.12.04 £	Period 1.9.02 to 31.12.03 £
Depreciation - owned assets	1,140	1,147
Loss on disposal of fixed assets	-	50
Pension costs	2,750	4,000
	<u>          </u>	<u>          </u>
Director's emoluments and other benefits etc	-	-
	<u>          </u>	<u>          </u>



**CHOLSO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the Year Ended 31 December 2004

**3. TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	Year Ended 31.12.04 £	Period 1.9.02 to 31.12.03 £
Current tax:		
UK corporation tax	(2,315)	52,770
Tax on (loss)/profit on ordinary activities	<u>(2,315)</u>	<u>52,770</u>

**4. DIVIDENDS**

	Year Ended 31.12.04 £	Period 1.9.02 to 31.12.03 £
Final	-	1,500

**5. TANGIBLE FIXED ASSETS**

	Freehold property £	Computer systems £	Fixtures and fittings £	Plant & machinery £	Totals £
<b>COST:</b>					
At 1 January 2004	63,487	6,591	1,680	2,431	74,189
Additions	-	849	-	-	849
At 31 December 2004	<u>63,487</u>	<u>7,440</u>	<u>1,680</u>	<u>2,431</u>	<u>75,038</u>
<b>DEPRECIATION:</b>					
At 1 January 2004	-	6,590	1,214	1,348	9,152
Charge for year	-	281	252	607	1,140
At 31 December 2004	<u>-</u>	<u>6,871</u>	<u>1,466</u>	<u>1,955</u>	<u>10,292</u>
<b>NET BOOK VALUE:</b>					
At 31 December 2004	<u>63,487</u>	<u>569</u>	<u>214</u>	<u>476</u>	<u>64,746</u>
At 31 December 2003	<u>63,487</u>	<u>1</u>	<u>466</u>	<u>1,083</u>	<u>65,037</u>

**CHOLSO LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 December 2004**

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

	31.12.04 £	31.12.03 £
V.A.T.	-	116
Other debtors	42,918	-
Prepayments & accrued income	817	520
Owed by related company	185,000	35,000
Corporation tax recoverable	2,315	-
	<u>231,050</u>	<u>35,636</u>

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

	31.12.04 £	31.12.03 £
Bank loans and overdrafts	84,983	-
Directors current accounts	17,741	12,891
Other creditors	58,625	58,625
Mortgage	3,618	3,618
Owed to related company	85,000	-
Corporation tax	-	52,770
Accruals & deferred income	4,075	4,825
	<u>254,042</u>	<u>132,729</u>

**8. CREDITORS: AMOUNTS FALLING  
DUE AFTER MORE THAN ONE YEAR**

	31.12.04 £	31.12.03 £
Mortgage	<u>51,575</u>	<u>53,858</u>

**9. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.04 £	31.12.03 £
Bank overdrafts	<u>84,983</u>	<u>-</u>

The bankers hold a debenture dated 25 May 1994.

**10. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.04 £	31.12.03 £
100	Ordinary shares	£1	<u>100</u>	<u>100</u>

## **CHOLSO LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 December 2004**

#### **11. RELATED PARTY DISCLOSURES**

Other creditors include a loan of £50,000 (2003 - £50,000) from J C & D Holdings Limited, a Jersey based trust, in which the director is a discretionary beneficiary. During the period interest charged in the accounts relating to this loan amounted to £6,640 (2003 - £3,914).

The director is a shareholder and director of Lightspace Limited and Spacecraft Limited.

At the year end £185,000 (2003 - NIL) was owed by Lightspace Limited to Cholso Limited and £85,000 was owed to Spacecraft Limited by Cholso Limited (2003 - £35,000 owed to Cholso Limited).