

Registered number
2961481

CORNERSTONE DEVELOPMENTS LIMITED

Abbreviated Accounts

31 December 2006

TUESDAY



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COMPANIES HOUSE

CORNERSTONE DEVELOPMENTS LIMITED
Abbreviated Balance Sheet
as at 31 December 2006

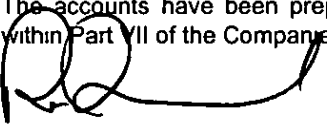
	Notes	2006 £	2005 £
Fixed assets			
Tangible assets	2	62,715	63,490
Investments	3	<u>3</u>	<u>3</u>
		62,718	63,493
Current assets			
Stocks		1,796,091	785,050
Debtors		522,843	85,342
Cash at bank and in hand		<u>26,518</u>	<u>3,506</u>
		2,345,452	873,898
Creditors' amounts falling due within one year		<u>(1,914,802)</u>	<u>(531,932)</u>
Net current assets		430,650	341,966
Total assets less current liabilities		<u>493,368</u>	<u>405,459</u>
Creditors. amounts falling due after more than one year		(250,181)	(248,577)
Net assets		<u>243,187</u>	<u>156,882</u>
Capital and reserves			
Called up share capital	5	612,000	612,000
Profit and loss account		(368,813)	(455,118)
Shareholders' funds		<u>243,187</u>	<u>156,882</u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper 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 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985


R M Drummond
Director


P J Milson
Director

Approved by the board on 11 May 2007

CORNERSTONE DEVELOPMENTS LIMITED
Notes to the Abbreviated Accounts
for the year ended 31 December 2006

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents the value of goods and services supplied by the company, net of value added tax and trade discounts

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Fixtures, fittings and equipment	15% straight line
Motor vehicles	25% straight line

Work in progress

Work in progress is valued at the lower of cost and net realisable value Profits on long term contracts are recognised in accordance with SSAP9

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

Financial Statements

The financial statements present information about the company as an individual undertaking and not about its group In the opinion of the directors the group qualifies as a small group and accordingly group financial statements are not required

Application of FRS25

In accordance with FRS 25 the following amendments have been made to the comparatives and applied to the current year -

- i) The 204,000 issued 8% non-redeemable preference shares of £1 each are now treated as a financial liability and hence disclosed in creditors amounts falling due after one year
- ii) The non-equity dividends are now treated as an expense rather than an appropriation of profit

CORNERSTONE DEVELOPMENTS LIMITED
Notes to the Abbreviated Accounts
for the year ended 31 December 2006

2 Tangible fixed assets	£
Cost	
At 1 January 2006	80,919
Additions	62,708
Disposals	(72,000)
	<hr/>
At 31 December 2006	71,627
Depreciation	
At 1 January 2006	17,429
Charge for the year	16,223
On disposals	(24,740)
	<hr/>
At 31 December 2006	8,912
Net book value	
At 31 December 2006	<hr/> 62,715
At 31 December 2005	<hr/> 63,490

3 Investments	£
Cost	
At 1 January 2006	3
	<hr/>
At 31 December 2006	3

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Corporate Real Estate Services Ltd	England and Wales	2 Ordinary	100
Cornerstone Developments Residential Limited	England and Wales	1 Ordinary	100
	Profit/Loss Y/E 31 12 06	Capital and reserves As at 31 12 06	
Corporate Real Estate Services Ltd	NIL	(2,144)	
Cornerstone Developments Residential Limited	NIL	1	

4 Bank security

The bank loans are secured by a fixed charge over the specific assets to which they relate together with personal guarantees of £75,000 from each of the directors

CORNERSTONE DEVELOPMENTS LIMITED
Notes to the Abbreviated Accounts
for the year ended 31 December 2006

5 Share capital		2006	2005
		£	£
Authorised			
Ordinary shares of £1 each		612,000	612,000
Non-equity non-redeemable 8% preference shares of £1 each		204,000	204,000
		<u>816,000</u>	<u>816,000</u>

	2006	2005	2006	2005
	No	No	£	£
Allotted, called up and fully paid				
Ordinary shares of £1 each	612,000	612,000	612,000	612,000
Non-equity non-redeemable 8% preference shares of £1 each	204,000	204,000	204,000	204,000
			<u>816,000</u>	<u>816,000</u>

6 Transactions with directors

During the year Cornerstone Developments Limited loaned Cornerstone Developments (Holdings) Limited £210,731 in order to purchase the issued share capital of Cornerstone Developments Limited. The balance at the year end was £210,731. The directors of Cornerstone Developments Limited are directors and shareholders in Cornerstone Developments (Holdings) Limited. The loan is interest free and repayable on demand.

During the year Cornerstone Developments Limited loaned Mr R M Drummond £69,630 which was fully repaid in the year. The loan was interest free and repayable on demand.

During the year Mr P J Mitson, Mr R M Drummond and Darien Management Limited, a company in which Mr R M Drummond has an interest made loans to Cornerstone Developments Limited. The balances at the year end were £159,000, £155,000 and £160,000 respectively. The loans have an interest rate of 7% and are repayable on completion of ongoing projects.

During the year under review Cornerstone Developments Limited paid directors' fees amounting to £18,000 to Robert Drummond & Associates Limited, a company in which Mr R M Drummond is a director and shareholder. The amount due by Cornerstone Developments Limited in respect thereof at the balance sheet date was £4,500.

During the previous year Mr R M Drummond purchased a car at market value from Cornerstone Developments Limited. Mr R M Drummond undertook to meet the remaining finance costs, in relation to the car, which remained in the name of the company. The finance costs were cleared during the year.

7 Parent company

Cornerstone Developments (Holdings) Limited, incorporated in England and Wales, is regarded by the directors as the parent company.