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Report of the Director and
Unaudited Financial Statements for the Year Ended 31 March 2006
for
Devflame Limited

23/08/06



Devflame Limited

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for the Year Ended 31 March 2006**

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Devflame Limited

**Company Information
for the Year Ended 31 March 2006**

DIRECTOR: M S Kealey-Bennett

SECRETARY: R A Bennett

REGISTERED OFFICE: 44 Southchurch Road
Southend
SS1 2LZ

REGISTERED NUMBER: 2986353 (England and Wales)

ACCOUNTANTS: Accounting I.T. Limited
44 Southchurch Road
Southend
SS1 2LZ

Devflame Limited

**Report of the Director
for the Year Ended 31 March 2006**

The director presents his report with the financial statements of the company for the year ended 31 March 2006.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of computer services.

DIRECTOR

M S Kealey-Bennett was the sole director during the year under review.

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

	31.3.06	1.4.05
Ordinary £1 shares	10	10

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:



M S Kealey-Bennett - Director

21 August 2006

Devflame Limited

**Profit and Loss Account
for the Year Ended 31 March 2006**

	Notes	2006 £	2005 as restated £
TURNOVER		1,257	104,749
Administrative expenses		18,971	91,324
OPERATING (LOSS)/PROFIT	2	(17,714)	13,425
Interest receivable and similar income		264	508
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(17,450)	13,933
Tax on (loss)/profit on ordinary activities	3	(623)	738
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(16,827)	13,195
(DEFICIT)/PROFIT FOR THE YEAR		(16,827)	13,195
Retained profit brought forward:			
As previously reported		18,149	(5,605)
Prior year adjustment	4	-	10,559
As restated		18,149	4,954
RETAINED PROFIT CARRIED FORWARD		1,322	18,149

The notes form part of these financial statements

Devflame Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2006**

	2006	2005 as restated
	£	£
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	(16,827)	13,195
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(16,827)	13,195
	<hr/>	
Prior year adjustment		10,559
		<hr/>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		23,754
		<hr/>

The notes form part of these financial statements

Devflame Limited

**Balance Sheet
31 March 2006**

		2006	2005 as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	5	675	900
CURRENT ASSETS			
Debtors	6	48,778	119,735
Cash at bank		287	400
		<u>49,065</u>	<u>120,135</u>
CREDITORS			
Amounts falling due within one year	7	<u>48,408</u>	<u>102,876</u>
NET CURRENT ASSETS		<u>657</u>	<u>17,259</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,332</u>	<u>18,159</u>
CAPITAL AND RESERVES			
Called up share capital	8	10	10
Profit and loss account		<u>1,322</u>	<u>18,149</u>
SHAREHOLDERS' FUNDS		<u>1,332</u>	<u>18,159</u>

The notes form part of these financial statements

Devflame Limited

Balance Sheet - continued
31 March 2006

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2006.

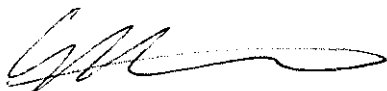
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2006 in accordance with Section 249B(2) of the Companies Act 1985.

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 January 2005).

The financial statements were approved by the director on 21 August 2006 and were signed by:



M S Kealey-Bennett - Director

Devflame Limited

Notes to the Financial Statements for the Year Ended 31 March 2006

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 January 2005).

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 - 25% on reducing balance

Deferred tax

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

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

2. OPERATING (LOSS)/PROFIT

The operating loss (2005 - operating profit) is stated after charging:

	2006	2005 as restated
	£	£
Depreciation - owned assets	225	300
Pension costs	1,000	6,000
	<u> </u>	<u> </u>
Director's emoluments and other benefits etc	-	64,658
	<u> </u>	<u> </u>

Devflame Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2006

3. TAXATION

Analysis of the tax (credit)/charge

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

	2006	2005 as restated
	£	£
Current tax:		
UK corporation tax	-	936
Prior year over provision	(623)	-
Total current tax	(623)	936
Deferred tax	-	(198)
Tax on (loss)/profit on ordinary activities	(623)	738

4. PRIOR YEAR ADJUSTMENT

The prior year adjustments arise from an Inland Revenue determination that the company's contracts dating back to the year ended 31 March 2001 fall within the requirements of IR35.

The prior year adjustments are:

	2005 £
IR 35 deemed salary and employers National Insurance	(90,360)
Reduction of Corporation Tax	17,451
Reduction of dividends	83,468
	<u>10,559</u>

Devflame Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2006**

5. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 April 2005 and 31 March 2006	2,491
DEPRECIATION	
At 1 April 2005	1,591
Charge for year	225
At 31 March 2006	1,816
NET BOOK VALUE	
At 31 March 2006	675
At 31 March 2005	900

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005 as restated
	£	£
Trade debtors	-	10,286
Social security & other taxes	-	221
Directors' current accounts	-	39,733
Corporation tax recoverable	48,477	69,495
Prepayments	301	-
	<u>48,778</u>	<u>119,735</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006	2005 as restated
	£	£
Corporation tax	936	936
Social security and other taxes	19,538	101,365
Directors' current accounts	27,359	-
Accrued expenses	575	575
	<u>48,408</u>	<u>102,876</u>

Devflame Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2006**

8. CALLED UP SHARE CAPITAL

Authorised:			2006	2005
Number:	Class:	Nominal value:		as restated
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2006	2005
			£	as restated
				£
10	Ordinary	£1	<u>10</u>	<u>10</u>

9. ULTIMATE CONTROLLING PARTY

M S Kealey-Bennett was the ultimate controlling party throughout the year.

Devflame Limited

**Report of the Accountants to the Director of
Devflame Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 March 2006 set out on pages three to ten and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Accounting I.T. Limited
44 Southchurch Road
Southend
SS1 2LZ

21 August 2006