

HILLGUARD ASSOCIATES LIMITED
ABBREVIATED FINANCIAL STATEMENTS
31ST DECEMBER, 2004



**REPORT OF THE AUDITORS TO THE DIRECTORS OF
HILLGUARD ASSOCIATES LIMITED
PURSUANT TO SECTION 247B COMPANIES ACT 1985**

We have examined the abbreviated financial statements set out on pages 2 and 3 together with the full financial statements for the period ended 31st December, 2004, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of Directors and Auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated financial statements have been properly prepared from those financial statements. The scope of our work for the purposes of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages 2 to 3 have been properly prepared in accordance with those provisions.

A large, stylized handwritten signature in black ink, which appears to read 'P.M. Randall'.

Date: 28.01.2006
P.M. RANDALL & CO.
LONDON

CHARTERED ACCOUNTANTS
REGISTERED AUDITOR

HILLGUARD ASSOCIATES LIMITED

ABBREVIATED BALANCE SHEET

31ST DECEMBER, 2004

	Note	2004	2003
		£	£
INVESTMENT	2	470,035	494,856
CURRENT ASSETS			
Bank and cash balances		2,092	7,523
CREDITORS			
Amounts falling due within one year		(613,220)	(640,943)
NET CURRENT ASSETS		(611,128)	(633,420)
TOTAL ASSETS LESS LIABILITIES		(141,093)	(138,564)
CAPITAL AND RESERVES			
Called up share capital	3	1,000	1,000
Profit and loss account		(142,093)	(139,564)
		(141,093)	(138,564)

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

These financial statements were approved by the Board on 28.01.2006

Signed on behalf of the board of directors
Leverton Directors Limited


DIRECTOR

HILLGUARD ASSOCIATES LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS

31ST DECEMBER, 2004

1. ACCOUNTING POLICIES

The Financial Statements have been prepared in accordance the Financial Reporting Standard for Smaller Entities. A summary of the more important accounting policies, is set out below.

a) Accounting Convention

The financial statements have been prepared using the historical cost convention.

b) Foreign Currency Translation

Issued share capital is translated into Sterling at the rate of exchange ruling on the date of issue.

All other assets and liabilities denominated in foreign currencies are translated into Sterling at the rate of exchange ruling on the balance sheet date.

Income received and expenditure incurred in foreign currencies is translated into Sterling at the rate of exchange ruling on the date the transaction took place.

c) Turnover

Turnover, which excludes Value Added Tax and trade discounts, represents the invoiced value of goods and services provided.

d) Going concern

The financial statements have been prepared on a going concern basis, subject to the continuing support of the shareholders.

2. INVESTMENTS

	2004 £	2003 £
At Cost	<u>470,035</u>	<u>494,856</u>

3. SHARE CAPITAL

	Authorised 2004 & 2003 £	Issued and fully paid 2004 & 2003 £
Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>