

Registration number 04319667

First Conveyancing Limited
Directors' report and financial statements
for the year ended 30 April 2005



First Conveyancing Limited

Company information

Directors	J H G Heller J D Meltham J P Mitchell	Resigned 27 May 2004 27 May 2004 to 17 November 2005
Secretary	R Lumsden	
Company number	04319667	
Registered office	35-49 Well Street Bradford BD1 5NU	
Auditors	Fletcher Greenwood & Co 11 Broad Street Bradford BD1 4QT	

First Conveyancing Limited

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First Conveyancing Limited

Directors' report for the year ended 30 April 2005

The directors present their report and the financial statements for the year ended 30 April 2005.

Principal activity

The principal activity of the company is that of an intermediary business services provider

Results and dividends

The results for the year are set out on page 5.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Class of share	30/04/05	01/05/04 or date of appointment
J H G Heller	Ordinary shares	-	-
J D Meltham Resigned 27 May 2004	Ordinary shares	-	-
J P Mitchell 27 May 2004 to 17 November 2005	Ordinary shares	-	-

M Henley was appointed director on 17 May 2005 and R Lumsden was appointed director on 22 July 2005.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Fletcher Greenwood & Co be reappointed as auditors of the company will be put to the Annual General Meeting.

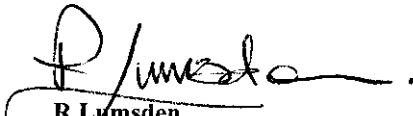
First Conveyancing Limited

**Directors' report
for the year ended 30 April 2005**

..... continued

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 22 November 2005 and signed on its behalf by


R Lumsden
Secretary

First Conveyancing Limited

**Independent auditors' report to the shareholder of
First Conveyancing Limited**

We have audited the financial statements of First Conveyancing Limited for the year ended 30 April 2005 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

First Conveyancing Limited

Independent auditors' report to the shareholder of First Conveyancing Limited continued

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2005 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Fletcher Greenwood & Co', followed by a large, stylized flourish or initial.

Fletcher Greenwood & Co
Chartered Accountants and
Registered Auditors
22 November 2005

11 Broad Street
Bradford
BD1 4QT

First Conveyancing Limited

**Profit and loss account
for the year ended 30 April 2005**

		Continuing operations	
		2005	2004
	Notes	£	£
Turnover	2	388,040	590,250
Cost of sales		(321,978)	(510,131)
Gross profit		<u>66,062</u>	<u>80,119</u>
Administrative expenses		<u>(79)</u>	<u>(29)</u>
Profit on ordinary activities before taxation		65,983	80,090
Tax on profit on ordinary activities	3	<u>(3,679)</u>	<u>(24,027)</u>
Profit on ordinary activities after taxation		<u>62,304</u>	<u>56,063</u>
Retained profit for the year		<u>62,304</u>	<u>56,063</u>
Retained profit brought forward		<u>65,975</u>	<u>9,912</u>
Retained profit carried forward		<u><u>128,279</u></u>	<u><u>65,975</u></u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 8 to 11 form an integral part of these financial statements.

First Conveyancing Limited

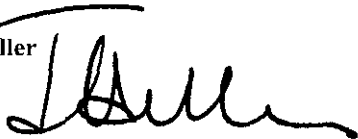
**Balance sheet
as at 30 April 2005**

		2005		2004	
	Notes	£	£	£	£
Current assets					
Debtors	4	30,778		-	
Cash at bank and in hand		136,575		126,244	
		<u>167,353</u>		<u>126,244</u>	
Creditors: amounts falling due within one year	5	<u>(39,073)</u>		<u>(60,268)</u>	
Net current assets			128,280		65,976
Net assets			<u>128,280</u>		<u>65,976</u>
Capital and reserves					
Called up share capital	6		1		1
Profit and loss account			128,279		65,975
Shareholder's funds	7		<u>128,280</u>		<u>65,976</u>

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

The financial statements were approved by the Board on 22 November 2005 and signed on its behalf by

J H G Heller
Director



The notes on pages 8 to 11 form an integral part of these financial statements.

First Conveyancing Limited

**Cash flow statement
for the year ended 30 April 2005**

	Notes	2005 £	2004 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		65,983	80,090
(Increase) in debtors		(30,778)	-
(Decrease) in creditors		(8,385)	33,750
Net cash inflow from operating activities		<u>26,820</u>	<u>113,840</u>
Cash flow statement			
Net cash inflow from operating activities		26,820	113,840
Taxation	10	(16,489)	-
Increase in cash in the year		<u>10,331</u>	<u>113,840</u>
Reconciliation of net cash flow to movement in net funds (see Note 11)			
Increase in cash in the year		10,331	113,840
Net funds at 1 May 2004		126,244	12,404
Net funds at 30 April 2005		<u>136,575</u>	<u>126,244</u>

First Conveyancing Limited

**Notes to the financial statements
for the year ended 30 April 2005**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention.

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

First Conveyancing Limited

**Notes to the financial statements
for the year ended 30 April 2005**

..... continued

3. Tax on profit on ordinary activities

Analysis of charge in period	2005	2004
	£	£
Current tax		
UK corporation tax	12,537	24,027
Adjustments in respect of previous periods	(8,858)	-
	<u>3,679</u>	<u>24,027</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	2005	2004
	£	£
Profit on ordinary activities before taxation	<u>65,983</u>	<u>80,090</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (30 April 2004 : 30%)	19,795	24,027
Effects of:		
Adjustments to tax charge in respect of previous periods	(8,858)	-
Lower rate for smaller companies	(7,258)	-
Current tax charge for period	<u>3,679</u>	<u>24,027</u>

4. Debtors

	2005	2004
	£	£
Other debtors	1,788	-
Prepayments and accrued income	28,990	-
	<u>30,778</u>	<u>-</u>

First Conveyancing Limited

Notes to the financial statements for the year ended 30 April 2005

..... continued

5. Creditors: amounts falling due within one year	2005	2004
	£	£
Corporation tax	12,536	25,346
Other taxes and social security costs	-	(2,617)
Accruals and deferred income	26,537	37,539
	<u>39,073</u>	<u>60,268</u>
6. Share capital	2005	2004
	£	£
Authorised equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid equity		
1 Ordinary Share of £1	<u>1</u>	<u>1</u>
7. Reconciliation of movements in shareholder's funds	2005	2004
	£	£
Profit for the year	62,304	56,063
Opening shareholder's funds	<u>65,976</u>	<u>9,913</u>
Closing shareholder's funds	<u>128,280</u>	<u>65,976</u>
8. Transactions with directors		

The turnover of the company derives from Hammonds Direct, the directors (except Mr JD Meltham) are partners in this firm.

First Conveyancing Limited

**Notes to the financial statements
for the year ended 30 April 2005**

..... continued

9. Ultimate parent undertaking

The ultimate holding company is Hammond Support Services Limited which controls the company.

The company has no employees and relies on the ultimate holding company to provide the infrastructure and resources required to operate the business. The auditors' remuneration has been borne by the ultimate holding company.

The company has a grouped banking facility with the ultimate holding company which incurs interest at a daily equivalent of 1% above the interbank base rate, if overdrawn.

10. Gross cash flows

	2005	2004
	£	£
Taxation		
Corporation tax paid	<u>(16,489)</u>	<u>-</u>

11. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	<u>126,244</u>	<u>10,331</u>	<u>136,575</u>
Net funds	<u><u>126,244</u></u>	<u><u>10,331</u></u>	<u><u>136,575</u></u>