

Registration number 4466922

**Lone Eagle Properties Limited**  
**Directors' report and financial statements**  
**for the year ended 30 June 2005**



## **Lone Eagle Properties Limited**

### **Company information**

Directors	A P Cutler C D Fayers P J Goodes
Secretary	P J Goodes
Company number	4466922
Registered office	Palatine House Matford Court Exeter EX2 8NL
Auditors	Thompson Jenner 1 Colleton Crescent Exeter Devon EX2 4DG
Bankers	National Westminster Bank plc

# **Lone Eagle Properties Limited**

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# **Lone Eagle Properties Limited**

## **Directors' report for the year ended 30 June 2005**

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

### **Principal activity**

The principal activity is that of a property investment company.

### **Directors and their interests**

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

	<b>30/06/05</b>	<b>01/07/04</b>
A P Cutler	-	-
C D Fayers	-	-
P J Goodes	-	-

### **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:

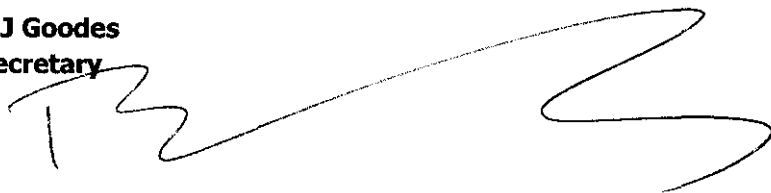
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

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 6<sup>th</sup> April 2006 and signed on its behalf by

**P J Goodes**  
**Secretary**



## **Lone Eagle Properties Limited**

### **Independent auditors' report to the shareholders of Lone Eagle Properties Limited**

We have audited the financial statements of Lone Eagle Properties Limited for the year ended 30 June 2005 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention as modified by the revaluation of certain fixed assets 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 shareholders 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.

#### **Opinion**

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

**Thompson Jenner  
Chartered Accountants and  
Registered auditors**

**1 Colleton Crescent  
Exeter  
Devon  
EX2 4DG**

19. 4. 2006

**Lone Eagle Properties Limited**

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

		<b>2005</b>	<b>2004</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	233,440	223,306
Administrative expenses		(30,344)	(20,550)
<b>Operating profit</b>	<b>3</b>	203,096	202,756
Other interest receivable and similar income		-	553
Interest payable and similar charges		(135,585)	(114,137)
<b>Profit on ordinary activities before taxation</b>		67,511	89,172
Tax on profit on ordinary activities	<b>4</b>	(20,253)	(26,774)
<b>Profit on ordinary activities after taxation</b>		47,258	62,398
<b>Retained profit for the year</b>		47,258	62,398
Retained profit brought forward		95,473	33,075
<b>Retained profit carried forward</b>		142,731	95,473
<b>Statement of total recognised gains and losses</b>			
<b>Profit on ordinary activities after taxation</b>		47,258	62,398
Unrealised movement on revaluation of property		1,856,482	-
<b>Total recognised gains relating to the year</b>		1,903,740	62,398

**The notes on pages 5 to 8 form an integral part of these financial statements.**

**Lone Eagle Properties Limited**

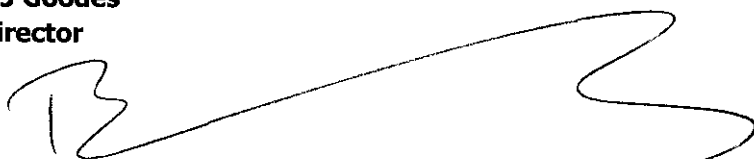
**Balance sheet  
as at 30 June 2005**

		<b>2005</b>		<b>2004</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>5</b>		4,523,015		2,643,518
<b>Current assets</b>					
Debtors	<b>6</b>	69,931		-	
Cash at bank and in hand		<u>1</u>		<u>1</u>	
		69,932		1	
<b>Creditors: amounts falling due within one year</b>	<b>7</b>	<u>(278,939)</u>		<u>(238,463)</u>	
<b>Net current liabilities</b>			<u>(209,007)</u>		<u>(238,462)</u>
<b>Total assets less current liabilities</b>			4,314,008		2,405,056
<b>Creditors: amounts falling due after more than one year</b>	<b>8</b>		<u>(2,314,794)</u>		<u>(2,309,582)</u>
<b>Net assets</b>			<u>1,999,214</u>		<u>95,474</u>
<b>Capital and reserves</b>					
Called up share capital	<b>10</b>		1		1
Revaluation reserve	<b>11</b>		1,856,482		-
Profit and loss account	<b>11</b>		<u>142,731</u>		<u>95,473</u>
<b>Shareholders' funds</b>			<u>1,999,214</u>		<u>95,474</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on 6<sup>th</sup> April 2006 and signed on its behalf by

**P J Goodes**  
**Director**



**The notes on pages 5 to 8 form an integral part of these financial statements.**

## **Lone Eagle Properties Limited**

### **Notes to the financial statements for the year ended 30 June 2005**

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

##### **1.2. Turnover**

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

##### **1.3 Investment properties**

In accordance with the Financial Reporting Standard for Smaller Entities, certain of the company's properties are held for long-term investment and are included in the Balance Sheet at their open market values. The surplus or deficit on revaluation of such properties is transferred to the investment property revaluation reserve. Depreciation is not provided in respect of freehold investment properties. Leasehold investment properties are not amortised where the unexpired term is over

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the Financial Statements may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

##### **1.4. Deferred taxation**

Deferred tax is recognised in respect of timing differences that have originated but not reversed by the balance sheet date. Deferred tax balances are not discounted.

#### **2. Turnover**

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

#### **3. Operating profit**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	<u>1,500</u>	<u>-</u>

#### **4. Tax on profit on ordinary activities**

<b>Analysis of charge in period</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax	<u>20,253</u>	<u>26,774</u>



**Lone Eagle Properties Limited**

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

..... continued

**5. Tangible fixed assets**

	<b>Investment Property £</b>	<b>Freehold Property £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 July 2004	2,643,518	-	2,643,518
Additions	-	23,015	23,015
Revaluation	1,856,482	-	1,856,482
At 30 June 2005	<u>4,500,000</u>	<u>23,015</u>	<u>4,523,015</u>
<b>Net book values</b>			
At 30 June 2005	<u>4,500,000</u>	<u>23,015</u>	<u>4,523,015</u>
At 30 June 2004	<u>2,643,518</u>	<u>-</u>	<u>2,643,518</u>

Investment property was valued at 30 June 2005 by directors, at £4,500,000. This was based on professional valuations undertaken by DTZ International Property Advisors, independent valuers amounting to £4,500,000, in December 2005.

Tangible fixed assets included at a valuation would have been included on a historical cost basis at:

	<b>2005 £</b>	<b>2004 £</b>
Cost	2,643,518	2,643,518
Depreciation	<u>-</u>	<u>-</u>
Net book value	<u>2,643,518</u>	<u>2,643,518</u>

**6. Debtors**

	<b>2005 £</b>	<b>2004 £</b>
Trade debtors	<u>69,931</u>	<u>-</u>

**Lone Eagle Properties Limited**

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

..... continued

<b>7. Creditors: amounts falling due within one year</b>	<b>2005 £</b>	<b>2004 £</b>
Bank overdraft	9,816	-
Bank loan	108,197	108,197
Trade creditors	13,218	-
Corporation tax	6,753	26,774
Accruals and deferred income	140,955	103,492
	<u>278,939</u>	<u>238,463</u>

The bank loan is secured on the investment property.

<b>8. Creditors: amounts falling due after more than one year</b>	<b>2005 £</b>	<b>2004 £</b>
Bank loan	1,562,929	1,671,125
Amounts due to related companies	751,865	638,457
	<u>2,314,794</u>	<u>2,309,582</u>

The bank loan is secured on the investment property.

**9. Deferred taxation**

Deferred tax is analysed over the following timing differences:

	<b>Not provided</b>		<b>Provided</b>	
	<b>2005 £</b>	<b>2004 £</b>	<b>2005 £</b>	<b>2004 £</b>
Surplus on revaluation of property	504,559	-	-	-
	<u>504,559</u>	<u>-</u>	<u>-</u>	<u>-</u>

The revaluation of properties does not constitute a timing difference and the potential amount of deferred tax on this has therefore not been provided.

The amount unprovided represents a contingent liability at the balance sheet date and is calculated using a tax rate of 30%.

# Lone Eagle Properties Limited

## Notes to the financial statements for the year ended 30 June 2005

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10.	Share capital		2005	2004
			£	£
	Authorised			
	1,000 Ordinary share		1,000	1,000
	Allotted, called up and fully paid			
	1 Ordinary share		1	1
11.	Reserves	Revaluation reserve	Profit and loss account	Total
		£	£	£
	At 1 July 2004	-	95,473	95,473
	Revaluation of property	1,856,482	-	1,856,482
	Retained profit for the year	-	47,258	47,258
	At 30 June 2005	1,856,482	142,731	1,999,213

## 12. Related party transactions

During the year the company continued to receive a loan from Eagle One Limited, a company controlled by Mr M R Kay. The balance due at the year end was £751,866 (2004 - £638,457) this amount is included in creditors due after more than one year. Included in accruals is £31,554 (2004 - £18,374) of loan interest due but not yet paid.

During the year Eagle One Limited recharged management expenses of £11,744 (2004: £5,250) to the company, on an at arms length basis. Of these amounts £16,994 (2004: £5,250) are included in accruals at the year end.

## 13. Controlling interest

The company's ultimate controlling party is Mr M R Kay.