

Registration number 4621472

**Lone Eagle Investments Limited**  
**Directors' report and financial statements**  
**for the year ended 30 September 2004**



## **Lone Eagle Investments Limited**

### **Company information**

Directors	P J Goodes A P Cutler C D Fayers
Secretary	P J Goodes
Company number	4621472
Registered office	Palatine House Exeter Devon EX2 8NL
Accountants	Thompson Jenner 1 Colleton Crescent Exeter Devon EX1 8NL

## **Lone Eagle Investments Limited**

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# **Lone Eagle Investments Limited**

## **Directors' report for the year ended 30 September 2004**

The directors present their report and the financial statements for the year ended 30 September 2004.

### **Principal activity**

The principal activity during the year was 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>Ordinary shares</b>	
	<b>30/09/04</b>	<b>01/10/03</b>
P J Goodes	-	-
A P Cutler	-	-
C D Fayers	-	-

### **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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 25<sup>th</sup> July 2005 and signed on its behalf by

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



# Lone Eagle Investments Limited

## Profit and loss account for the year ended 30 September 2004

		2004	2003
	Notes	£	£
<b>Turnover</b>	<b>2</b>	188,741	146,343
Cost of sales		(30,157)	(46,857)
<b>Gross profit</b>		158,584	99,486
Administrative expenses		(26,969)	(6,041)
<b>Operating profit</b>	<b>3</b>	131,615	93,445
Other interest receivable and similar income		55	210
Interest payable and similar charges		(116,619)	(57,824)
<b>Profit on ordinary activities before taxation</b>		15,051	35,831
Tax on profit on ordinary activities	<b>4</b>	(5,117)	(10,749)
<b>Profit on ordinary activities after taxation</b>		9,934	25,082
<b>Retained profit for the year</b>		9,934	25,082
Retained profit brought forward		25,082	-
<b>Retained profit carried forward</b>		35,016	25,082

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

**Lone Eagle Investments Limited**

**Balance sheet  
as at 30 September 2004**

		<b>2004</b>		<b>2003</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>5</b>		2,379,632		2,379,478
<b>Current assets</b>					
Debtors	<b>6</b>	37,628		61,598	
Cash at bank and in hand		1		17,568	
		<u>37,629</u>		<u>79,166</u>	
<b>Creditors: amounts falling due within one year</b>	<b>7</b>	<u>(234,614)</u>		<u>(180,136)</u>	
<b>Net current liabilities</b>			<u>(196,985)</u>		<u>(100,970)</u>
<b>Total assets less current liabilities</b>			2,182,647		2,278,508
<b>Creditors: amounts falling due after more than one year</b>	<b>8</b>		(2,131,764)		(2,242,676)
<b>Provisions for liabilities and charges</b>			<u>(15,866)</u>		<u>(10,749)</u>
<b>Net assets</b>			<u>35,017</u>		<u>25,083</u>
<b>Capital and reserves</b>					
Called up share capital	<b>10</b>		1		1
Profit and loss account			35,016		25,082
<b>Shareholders' funds</b>			<u>35,017</u>		<u>25,083</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

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

**Lone Eagle Investments Limited**

**Balance sheet (continued)**

**for the year ended 30 September 2004**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2004 and

(c) that we acknowledge our responsibilities for:

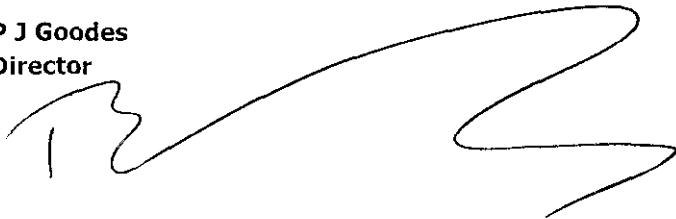
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These 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 25<sup>th</sup> Sep 2005 and signed on its behalf by

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

A large, stylized handwritten signature in black ink, starting with a vertical line and a loop, and ending with a long horizontal stroke.

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

# **Lone Eagle Investments Limited**

## **Notes to the financial statements for the year ended 30 September 2004**

### **1. Accounting policies**

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

The financial statements are prepared under the historical cost convention 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 are 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 twenty years.

This policy represents a departure from the Companies Act 1985, which requires 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 United Kingdom.

### **3. Operating profit**

Operating profit is stated after charging:

Auditors' remuneration

Directors' remuneration

**2004**      **2003**

**£**

**£**

-

1,000

-

-



**Lone Eagle Investments Limited**

**Notes to the financial statements  
for the year ended 30 September 2004**

..... continued

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

<b>Analysis of charge in period</b>	<b>2004 £</b>	<b>2003 £</b>
Total current tax charge	-	-
<b>Deferred tax</b>		
Timing differences, origination and reversal	5,117	10,749
Total deferred tax	5,117	10,749
Tax on profit on ordinary activities	5,117	10,749

**5. Tangible fixed assets**

	<b>Investment Property £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 October 2003	2,379,478	2,379,478
Additions	154	154
At 30 September 2004	2,379,632	2,379,632
<b>Net book values</b>		
At 30 September 2004	2,379,632	2,379,632
At 30 September 2003	2,379,478	2,379,478

The investment property has been valued by the directors, at open market value for existing or alternative use basis as appropriate, at £2,379,632.

**6. Debtors**

	<b>2004 £</b>	<b>2003 £</b>
Trade debtors	36,628	60,598
Prepayments and accrued income	1,000	1,000
	37,628	61,598

**Lone Eagle Investments Limited**

**Notes to the financial statements  
for the year ended 30 September 2004**

..... continued

<b>7. Creditors: amounts falling due within one year</b>	<b>2004 £</b>	<b>2003 £</b>
Bank overdraft	107	-
Bank loan	76,595	76,595
Trade creditors	2,317	1,718
Other taxes and social security costs	10,811	9,191
Accruals and deferred income	144,784	92,632
	<u>234,614</u>	<u>180,136</u>

The bank loan is secured by a fixed legal charge on the investment property and over the assets of the business.

The bank loan is stated net of prepaid finance costs totalling £11,634, (2003: £15,039)

<b>8. Creditors: amounts falling due after more than one year</b>	<b>2004 £</b>	<b>2003 £</b>
Bank loan	1,491,771	1,568,366
Amounts due to connected companies	639,993	674,310
	<u>2,131,764</u>	<u>2,242,676</u>

The bank loan is secured by a fixed legal charge on the investment property and over the assets of the business.

The bank loan is stated net of prepaid finance costs totalling £11,634, (2003: £15,039)

<b>9. Provision for deferred taxation</b>	<b>2004 £</b>	<b>2003 £</b>
Accelerated capital allowances	26,569	10,749
Tax losses carried forward	(10,703)	-
Undiscounted provision for deferred tax	<u>15,866</u>	<u>10,749</u>
Provision at 1 October 2003	10,749	
Deferred tax charge in profit and loss account	5,117	
Provision at 30 September 2004	<u>15,866</u>	

# Lone Eagle Investments Limited

## Notes to the financial statements for the year ended 30 September 2004

..... continued

10. Share capital	2004 £	2003 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

11. Capital commitments	2004 £	2003 £
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>50,800</u>	<u>-</u>

The company is contracted to make repairs necessary to bring the rental units of the investment property back to their original state. Included in accruals is £50,800 relating to amounts received from previous tenants with regards to the dilapidation of the investment property.

## 12. Related party transactions

During the year Eagle One Limited, a company controlled by Mr M R Kay, provided the company with a loan to service the company's working capital requirements. The amount included in creditors falling due after more than one year at the year end amounts to £639,993.

During the year Eagle One Limited charged the company, on an arms length basis, £26,658 for interest accruing on the loan.

During the year, Eagle One Limited, charged the company management charges of £13,248 (2003: nil)

## 13. Controlling interest

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