

SW ESTATES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2005



Company Registration Number 4660694

Tenon Limited
Accountants and Business Advisers
Number One
Goldcroft
Yeovil
Somerset
BA21 4DX

SW ESTATES LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

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SW ESTATES LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 31 MARCH 2005

The board of directors	Mr P Airy Mrs L Airy
Company secretary	Mr P Airy
Registered office	Number One Goldcroft Yeovil Somerset BA21 4DX
Accountants	Tenon Limited Accountants and Business Advisers Number One Goldcroft Yeovil Somerset BA21 4DX

SW ESTATES LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 31 MARCH 2005

The directors present their report and the unaudited financial statements of the company for the year ended 31 March 2005.

Principal activities

The principal activity of the company during the year was joint venture property dealing and development. The company commenced trading in quoted stocks and shares towards the end of the year and thus will have two trading activities in the future.

The directors and their interests in the shares of the company

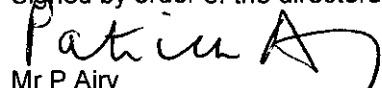
The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2005	At 1 April 2004
Mr P Airy	1	1
Mrs L Airy	<u>1</u>	<u>1</u>

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



Mr P Airy
Company Secretary

Approved by the directors on 13/10/05

SW ESTATES LIMITED

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF SW ESTATES LIMITED**

YEAR ENDED 31 MARCH 2005

In accordance with the engagement letter dated 14 June 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so, and state those matters that we have agreed to state to them in this 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 board of directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet for the year ended 31 March 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Tenon

Tenon Limited
Accountants and Business Advisers
Number One
Goldcroft
Yeovil
Somerset
BA21 4DX

Date:- 14.10.05

SW ESTATES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2005

	Note	2005 £	2004 £
Turnover		337,562	117,437
Cost of sales		(15,600)	(9,947)
Gross profit		<u>321,962</u>	<u>107,490</u>
Administrative expenses		(35,343)	(21,105)
Operating profit	2	<u>286,619</u>	<u>86,385</u>
Interest receivable		407	16
Interest payable and similar charges		(9)	(11)
Profit on ordinary activities before taxation		<u>287,017</u>	<u>86,390</u>
Tax on profit on ordinary activities	3	(55,569)	(16,527)
Profit on ordinary activities after taxation		<u>231,448</u>	<u>69,863</u>
Equity dividends paid		(117,550)	(70,000)
Retained profit/(loss) for the financial year		<u><u>113,898</u></u>	<u><u>(137)</u></u>

The notes on pages 7 to 9 form part of these financial statements.

SW ESTATES LIMITED

BALANCE SHEET

31 MARCH 2005

	Note	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	4		291		388
Current assets					
Stocks		—		15,600	
Debtors	5	—		18,345	
Investments	6	95,800		—	
Cash at bank		86,026		293	
		<u>181,826</u>		<u>34,238</u>	
Creditors: Amounts falling due within one year	7	<u>(68,354)</u>		<u>(34,761)</u>	
Net current assets/(liabilities)			113,472		(523)
Total assets less current liabilities			<u>113,763</u>		<u>(135)</u>
Capital and reserves					
Called-up share capital	9		2		2
Profit and loss account	10		113,761		(137)
Shareholders' funds			<u>113,763</u>		<u>(135)</u>

The Balance sheet continues on the following page.
The notes on pages 7 to 9 form part of these financial statements.

SW ESTATES LIMITED
BALANCE SHEET *(continued)*

31 MARCH 2005

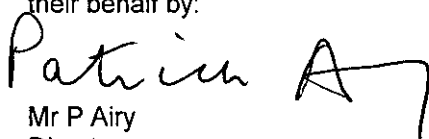
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 13/10/05 and are signed on their behalf by:


Mr P Airy
Director

The notes on pages 7 to 9 form part of these financial statements.

SW ESTATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures & Fittings 25%

Stocks

Stocks are valued at the lower of cost and net realisable value. Stock represents a share of residential properties owned by the joint venture companies.

2. Operating profit

Operating profit is stated after charging:

	2005	2004
	£	£
Directors' emoluments	10,000	—
Depreciation of owned fixed assets	97	130
	<u> </u>	<u> </u>

3. Taxation on ordinary activities

	2005	2004
	£	£
UK Corporation tax	55,569	16,527
	<u> </u>	<u> </u>

SW ESTATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

4. Tangible fixed assets

	Plant and machinery etc. £
Cost	
At 1 April 2004 and 31 March 2005	518
Depreciation	
At 1 April 2004	130
Charge for the year	97
At 31 March 2005	227
Net book value	
At 31 March 2005	291
At 31 March 2004	388

5. Debtors

	2005 £	2004 £
Trade debtors	—	18,345

6. Investments

	2005 £	2004 £
Other investments	95,800	—

The market value of the investments at the year end was £89,933.

7. Creditors: Amounts falling due within one year

	2005 £	2004 £
Corporation tax	55,569	16,527
Other creditors	12,785	18,234
	68,354	34,761

SW ESTATES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2005

8. Related party transactions

The company was under the control of Mr and Mrs Airy throughout the current year by virtue of their combined 100% ownership of share capital.

Included in creditors at the balance sheet date was a balance of £11,185 which relates to a directors loan account. This amount is an interest free loan to the company with no fixed repayment terms.

The movements in the directors loan account during the year is as follows:

Balance as at 1 April 2004 £17,034

Movements during the year £(5,849)

Balance outstanding as at 31 March 2005 £11,185

During the year, dividends of £117,550 (2003:£70,000) were paid to the directors.

9. Share capital

Authorised share capital:

	2005	2004
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10. Profit and loss account

	2005	2004
	£	£
Balance brought forward	(137)	-
Retained profit/(accumulated loss) for the financial year	<u>113,898</u>	<u>(137)</u>
Balance carried forward	<u>113,761</u>	<u>(137)</u>