

REGISTER

SQUARESTONE MANAGEMENT LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2007

Company Registration No. 4698803 (England and Wales)

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SQUARESTONE MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	T Barlow R Sloss J Almond
Secretary	A G Secretarial Limited
Company number	4698803
Registered office	4th Floor Clarebell House 5-6 Cork Street London W1S 3NX
Accountants	Duncan Sheard Glass 45 Houghton Street Southport Merseyside PR9 0PG
Bankers	The Royal Bank of Scotland plc London Belgravia Branch 24 Grosvenor Place London SW1X 7HP

SQUARESTONE MANAGEMENT LIMITED

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SQUARESTONE MANAGEMENT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2007

The directors present their report and financial statements for the year ended 31 August 2007.

Principal activities

The principal activity is that of property management agents

Directors

The following directors have held office since 1 September 2006

T Barlow
R Sloss
J Almond

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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 that disclose with reasonable accuracy at any time the financial position of the company and 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 has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

On behalf of the board



T Barlow
Director

2 September 2008

SQUARESTONE MANAGEMENT LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF SQUARESTONE MANAGEMENT LIMITED

In accordance with the engagement letter dated 10 January 2007, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Squarestone Management Limited for the year ended 31 August 2007, set out on pages 3 to 10 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 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 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 as at 31 August 2007 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.

Duncan Sheard Glass
Chartered Accountants
45 Hoghton Street
Southport
Merseyside
PR9 0PG

2 September 2008

SQUARESTONE MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2007

	Notes	2007 £	2006 £
Turnover		34,029	109,930
Administrative expenses		(47,852)	(66,632)
Other operating income		-	1,300
Operating (loss)/profit	2	(13,823)	44,598
Other interest receivable and similar income	3	780	1,296
Interest payable and similar charges		-	(7,674)
(Loss)/profit on ordinary activities before taxation		(13,043)	38,220
Tax on (loss)/profit on ordinary activities	4	(190)	(103)
(Loss)/profit for the year	10	(13,233)	38,117

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

SQUARESTONE MANAGEMENT LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5		480		-
Current assets					
Debtors	6	11,522		14,839	
Cash at bank and in hand		97,694		19,017	
		<u>109,216</u>		<u>33,856</u>	
Creditors: amounts falling due within one year	7	<u>(150,358)</u>		<u>(61,325)</u>	
Net current liabilities			<u>(41,142)</u>		<u>(27,469)</u>
Total assets less current liabilities			<u>(40,662)</u>		<u>(27,469)</u>
Provisions for liabilities	8		<u>(39)</u>		<u>-</u>
			<u>(40,701)</u>		<u>(27,469)</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		<u>(40,703)</u>		<u>(27,471)</u>
Shareholders' funds	11		<u>(40,701)</u>		<u>(27,469)</u>

SQUARESTONE MANAGEMENT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2007

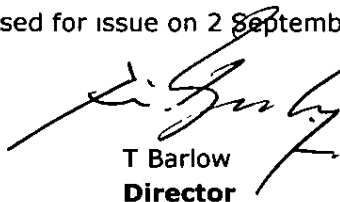
In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 this Act relating to accounts, so far as applicable to the company.

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

Approved by the Board and authorised for issue on 2 September 2008

R Sloss
Director


T Barlow
Director

SQUARESTONE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows.

Fixtures, fittings & equipment

1.4 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Operating (loss)/profit

	2007	2006
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	95	-

3 Investment income

	2007	2006
	£	£
Bank interest	780	1,296
	780	1,296

SQUARESTONE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2007

4 Taxation	2007	2006
	£	£
Domestic current year tax		
U K. corporation tax	151	103
	<u>151</u>	<u>103</u>
Current tax charge	151	103
Deferred tax		
Deferred tax charge credit current year	39	-
	<u>190</u>	<u>103</u>
Factors affecting the tax charge for the year		
(Loss)/profit on ordinary activities before taxation	(13,043)	38,220
	<u>(13,043)</u>	<u>38,220</u>
(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2006: 19.00%)	(2,609)	7,262
	<u>(2,609)</u>	<u>7,262</u>
Effects of:		
Non deductible expenses	2,821	1,560
Depreciation add back	19	-
Capital allowances	(57)	-
Tax losses utilised/(arising)	(18)	(8,576)
Marginal Relief	(5)	-
Other tax adjustments	-	(143)
	<u>2,760</u>	<u>(7,159)</u>
Current tax charge	151	103
	<u>151</u>	<u>103</u>

The company has estimated losses of £ 15,306 (2006: £ 15,397) available for carry forward against future trading profits

SQUARESTONE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2007

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 September 2006	-
Additions	575
	<hr/>
At 31 August 2007	575
	<hr/>
Depreciation	
At 1 September 2006	-
Charge for the year	95
	<hr/>
At 31 August 2007	95
	<hr/>
Net book value	
At 31 August 2007	480
	<hr/> <hr/>

6 Debtors

	2007 £	2006 £
Trade debtors	1,817	13,395
Other debtors	9,705	1,444
	<hr/>	<hr/>
	11,522	14,839
	<hr/> <hr/>	<hr/> <hr/>

7 Creditors: amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	-	1,107
Trade creditors	13,119	21,536
Taxation and social security	151	103
Other creditors	137,088	38,579
	<hr/>	<hr/>
	150,358	61,325
	<hr/> <hr/>	<hr/> <hr/>

SQUARESTONE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2007

8 Provisions for liabilities and charges

	Deferred tax liability £
Profit and loss account	39
Balance at 31 August 2007	<u>39</u>

The deferred tax liability is made up as follows:

	2007 £	2006 £
Accelerated capital allowances	<u>39</u>	<u>-</u>

9 Share capital

	2007 £	2006 £
Authorised		
1,000 Ordinary of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary of £1 each	<u>2</u>	<u>2</u>

10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 September 2006	(27,470)
Loss for the year	<u>(13,233)</u>
Balance at 31 August 2007	<u>(40,703)</u>

SQUARESTONE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2007

11 Reconciliation of movements in shareholders' funds	2007	2006
	£	£
(Loss)/Profit for the financial year	(13,233)	38,117
Opening shareholders' funds	(27,469)	(65,586)
	<hr/>	<hr/>
Closing shareholders' funds	(40,701)	(27,469)
	<hr/>	<hr/>

12 Control

The company is owned equally by R Sloss and T Barlow. No one individual has overall control of the company.

13 Related party transactions

The company has received services from Monteagle Barlow Trust Limited, a company in which T Barlow is a director, in the sum of £21,101 (incl.VAT).

Sales of £34,029 represent sales to Squarestone Central London Limited Partnership in which T Barlow and R Sloss are involved

The company operates an interest free current account with Squarestone Property Investment Management Limited, whose directors are T Barlow and R Sloss. At the balance sheet date Squarestone Property Investment Management Limited was owed £32,331

The company also operates an interest free current account with Granton Investments Limited whose director is R Sloss. At the balance sheet date Granton Investments Limited was owed £50,000 by Squarestone Property Investment Management Limited.