

Registration number: 05006860

Cromarty Developments Ltd

Directors' Report and Financial Statements
for the Year Ended 31 January 2006



Robinson Rice Associates
49 Station Road
Ainsdale

PR8 3HH

Cromarty Developments Ltd

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Cromarty Developments Ltd
Officers and Advisers

Directors	David Currie (appointed 28 October 2005)
	Ms B Rice (retired 28 October 2005)
	Mr D Percival
Secretary	Ms A Currie (appointed 18 January 2006)
Accountants	Robinson Rice Associates 49 Station Road Ainsdale PR8 3HH

Cromarty Developments Ltd
Directors' Report for the Year Ended 31 January 2006

The directors present their report and the financial statements for the year ended 31 January 2006.

Directors' responsibilities

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, 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 a 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 enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Principal activity

The principal activity of the company is property development and property management.

Directors and their interests

The directors who held office during the year were as follows:

- David Currie (appointed 28 October 2005)
- Ms B Rice (retired 28 October 2005)
- Mr D Percival

None of the directors had an interest in the shares of the company at any time during the year.

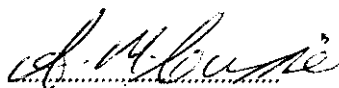
Election to dispense laying accounts

In accordance with s.252, Companies Act 1985, the company has elected to dispense with laying accounts before the members in general meeting. Members, however, may by notice in writing to the company at its registered office require that accounts are laid before the members in general meeting.

Small company provisions

This report has 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 signed on its behalf by:



Ms A Currie
Company Secretary

Date: 2-4-06

Accountants' Report to the Directors on the Unaudited Financial Statements of Cromarty Developments Ltd

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, the 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 as at 31 January 2006 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.


Robinson Rice Associates

49 Station Road
Ainsdale
PR8 3HH

Date: 15/1/06

Cromarty Developments Ltd
Profit and Loss Account for the Year Ended 31 January 2006

	Note	Year ended 31 January 2006 £	6 January 2004 to 31 January 2005 £
Cost of sales		35,200	2,964
Administrative expenses		(34,406)	(1,994)
Other operating income		4,526	-
Operating profit		<u>5,320</u>	<u>970</u>
Interest payable and similar charges		(36,144)	(2,964)
Loss on ordinary activities before taxation		<u>(30,824)</u>	<u>(1,994)</u>
Retained loss brought forward		(1,994)	-
Retained loss carried forward		<u><u>(32,818)</u></u>	<u><u>(1,994)</u></u>

The notes on pages 6 to 7 form an integral part of these financial statements.

Cromarty Developments Ltd
Balance Sheet as at 31 January 2006

		31 January 2006		31 January 2005	
	Note	£	£	£	£
Current assets					
Stocks	4	683,914		182,375	
Debtors	5	<u>7,530</u>		<u>30,500</u>	
		691,444		212,875	
Creditors: Amounts falling due within one year	6		<u>(724,260)</u>		<u>(214,867)</u>
Net liabilities			<u>(32,816)</u>		<u>(1,992)</u>
Capital and reserves					
Called up share capital	7		2		2
Profit and loss reserve			<u>(32,818)</u>		<u>(1,994)</u>
Equity shareholders' deficit			<u>(32,816)</u>		<u>(1,992)</u>

For the financial year ended 31 January 2006, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985; and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the 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 Companies Act 1985, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These accounts were approved by the Director on

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David Currie
Director

The notes on pages 6 to 7 form an integral part of these financial statements.

Cromarty Developments Ltd

Notes to the Financial Statements for the Year Ended 31 January 2006

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Cash flow statement

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

Going concern

These financial statements have been prepared under the going concern concept based on the shareholders providing support for the company.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Interest charges on borrowed capital have been included in stocks.

2 Directors' emoluments

No emoluments were paid to the directors during the year (2005 - £nil).

3 Particulars of employees

4 Stock and work in progress

	31 January 2006 £	31 January 2005 £
Stocks	<u>683,914</u>	<u>182,375</u>

5 Debtors

	31 January 2006 £	31 January 2005 £
Trade debtors	2,968	-
Other debtors	3,917	30,500
Prepayments and accrued income	645	-
	<u>7,530</u>	<u>30,500</u>

Cromarty Developments Ltd

Notes to the Financial Statements for the Year Ended 31 January 2006

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6 Creditors: Amounts falling due within one year

	31 January 2006	31 January 2005
	£	£
Bank loans and overdrafts	658,028	204,009
Trade creditors	10,136	-
Social security and other taxes	390	-
Director current accounts	48,362	10,646
Accruals and deferred income	7,344	212
	<u>724,260</u>	<u>214,867</u>

7 Share capital

	31 January 2006	31 January 2005
	£	£
Authorised		
1,000 Ordinary Shares shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
2 Ordinary Shares shares of £1 each	<u>2</u>	<u>2</u>

8 Related parties

Controlling entity

The company is controlled by Mr Currie and Mr Morgan

Cromarty Developments Ltd
Detailed Profit and Loss Account for the Year Ended 31 January 2006

	Year ended 31 January 2006		6 January 2004 to 31 January 2005	
	£	£	£	£
Cost of sales				
Opening stock	182,374		-	
Purchases	435,000		179,411	
Legal Fees	31,340		-	
Closing stock	<u>(683,914)</u>		<u>(182,375)</u>	
		35,200		2,964
Administrative expenses				
Insurance	1,934		-	
Security Costs	26,103		-	
Advertising	150		-	
Accountancy fees	1,100		212	
Bank charges	<u>5,119</u>		<u>1,782</u>	
		(34,406)		(1,994)
Other operating income				
Rent receivable		<u>4,526</u>		<u>-</u>
Operating profit		5,320		970
Interest payable and similar charges				
Bank interest payable		35,200		2,964
Other interest payable		<u>944</u>		<u>-</u>
		<u>(36,144)</u>		<u>(2,964)</u>
Retained loss for the financial year		<u><u>(30,824)</u></u>		<u><u>(1,994)</u></u>

This page does not form part of the statutory financial statements.