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Narden Services Limited

Abbreviated accounts

For the year ended 30 November 2006



Independent Auditors' report to Narden Services Limited

Under section 247B of the Companies Act 1985

We have examined the company's abbreviated accounts for the year ended 30 November 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 6, which have been prepared in accordance with applicable United Kingdom law, together with the company's financial statements for the year ended 30 November 2006 prepared under section 226 of the Companies Act 1985

This report is made solely to the company pursuant to section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company those matters we are required to state 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, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

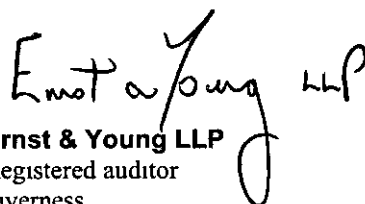
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

A handwritten signature in black ink that reads 'Ernst & Young LLP' with a large, stylized flourish at the end.

Ernst & Young LLP
Registered auditor
Inverness

20 September 2007

**Abbreviated Balance Sheet
As at 30 November 2006**

	Note	£	2006 £	£	2005 £
Fixed assets					
Tangible fixed assets	2		3,083		3,426
Investments	3		1		3
			<u>3,084</u>		<u>3,429</u>
Current assets					
Debtors	4	1,295,709		1,142,696	
Investments		5,000,000		3,000,000	
Cash at bank		539,519		2,523,783	
		<u>6,835,228</u>		<u>6,666,479</u>	
Creditors. amounts falling due within one year					
		(59,275)		(186,480)	
Net current assets			<u>6,775,953</u>		<u>6,479,999</u>
Total assets less current liabilities			<u>6,779,037</u>		<u>6,483,428</u>
Provisions for liabilities					
Deferred tax			(257)		(257)
Net assets			<u><u>6,778,780</u></u>		<u><u>6,483,171</u></u>
Capital and Reserves					
Called up share capital	5		2		2
Profit and loss account			<u>6,778,778</u>		<u>6,483,169</u>
Shareholders' funds			<u><u>6,778,780</u></u>		<u><u>6,483,171</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 20 September 2007

M J Mackintosh
Directors



The notes on pages 3 to 5 form part of these financial statements

Notes to the abbreviated accounts

For the year ended 30 November 2006

1 Accounting policies

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Fixtures & fittings	10%	reducing balance
Office equipment	10%	reducing balance

1.4 Investments

Fixed asset investments are included at cost less an allowance for any permanent diminution in value. Listed current asset investments are stated at the lower of cost and market value, and other current asset investments are stated at the lower of cost and estimated net realisable value

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

Notes to the abbreviated accounts

For the year ended 30 November 2006

2. Tangible fixed assets

	£
Cost	
At 1 December 2005 and 30 November 2006	7,275
Depreciation	
At 1 December 2005	3,849
Charge for the year	343
At 30 November 2006	4,192
Net book value	
At 30 November 2006	3,083
At 30 November 2005	3,426

3. Fixed asset investments

	£
Cost or valuation	
At 1 December 2005	3
Repayment	(2)
At 30 November 2006	1

Participating interests

The company owns 50% of the issued ordinary share capital of Inverness Retail & Business Park Limited, a company registered in Scotland. During its latest financial period, the year ended 31 May 2006, the accounts of Inverness Retail & Business Park Limited disclose a profit after tax of £351,450 (2005 £3,106,806) and net assets of £5,481,272 (2005 £5,129,822).

The company owned 50% of the issued share capital of Inverness Seafield Development Company Limited, a company registered in Scotland. This company was dissolved during the year.

4 Debtors

Included in other debtors above is the sum of £300,000 (2005 £nil) falling due after more than one year.

Notes to the abbreviated accounts
For the year ended 30 November 2006

5 Share capital

	2006 £	2005 £
Authorised		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

6 Related party transactions

During the year the company was entitled to £40,000 (2005 £125,000) for development services supplied to Inverness Retail & Business Park Limited in which the company owns 50% of the issued ordinary share capital. The amount due from Inverness Retail & Business Park Limited at 30 November 2006 was £994,061 (2005 £1,079,061).

Included in creditors is a loan from the directors of £27,778 (2005 £138,095). This loan is interest free and there are no fixed terms for repayment.