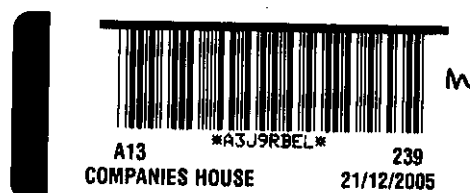


Sherborne Cottage Building Company Limited

ABBREVIATED FINANCIAL STATEMENTS

for the year ended

31 December 2004



Company Registration No. 30977

Sherborne Cottage Building Company Limited

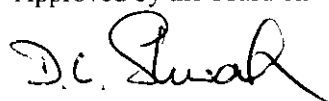
BALANCE SHEET

31 December 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	1	414,181	407,768
		<u> </u>	<u> </u>
CURRENT ASSETS			
Debtors		18,094	16,196
Cash at bank and in hand		464,778	382,437
		<u> </u>	<u> </u>
		482,872	398,633
		<u> </u>	<u> </u>
CREDITORS: Amounts falling due within one year		156,951	160,459
		<u> </u>	<u> </u>
NET CURRENT ASSETS		325,951	238,174
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		740,102	645,942
		<u> </u>	<u> </u>
CAPITAL AND RESERVES			
Called up share capital	2	6,000	6,000
Capital reserve		81,193	81,193
General reserve		3,035	3,035
Profit and loss account		649,874	555,714
		<u> </u>	<u> </u>
SHAREHOLDERS' FUNDS		740,102	645,942
		<u> </u>	<u> </u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985.

Approved by the board on 12/12/2005



D C STEWART

Director

Sherborne Cottage Building Company Limited

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31 December 2004

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards.

TANGIBLE FIXED ASSETS

No depreciation is provided on freehold investment properties.

GOVERNMENT GRANTS

Regional development grants and other capital grants received are deducted from the cost of the assets to which they relate. Grants of a revenue nature are credited to income in the period to which they relate.

RENT RECEIVED

This represents charges made to tenants during the year and is net of void rents on properties vacated during the year.

Sherborne Cottage Building Company Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2004

NOTES TO THE FINANCIAL STATEMENTS

1	TANGIBLE FIXED ASSETS	2004 £	2003 £
	Investment properties:		
	Freehold land and buildings		
	At net amount standing in the company's books on 1 July 1948,		
	less sales	9,472	9,472
	Additions and improvements at cost	398,296	392,421
		<u>407,768</u>	<u>401,893</u>
	Additions in the year	-	-
	Improvements during the year at cost	6,413	5,875
		<u>414,181</u>	<u>407,768</u>
	Less: Grants received	-	-
		<u>414,181</u>	<u>407,768</u>
	Balance 31 December 2004	<u>414,181</u>	<u>407,768</u>
2	SHARE CAPITAL	2004 £	2003 £
	Authorised:		
	1,200 ordinary shares of £5 each	6,000	6,000
		<u>6,000</u>	<u>6,000</u>
	Allotted, issued and fully paid:		
	1,200 ordinary shares of £5 each	6,000	6,000
		<u>6,000</u>	<u>6,000</u>
3	RELATED PARTY TRANSACTIONS		

Reverend J R Stewart and Mr D C Stewart are directors of Adam Stewart & Son Limited. Rent of £2,500 (2003 - £2,500) is payable to this company in respect of the year ended 31 December 2004.

There is no provision against any related party transaction at the year end and no amount has been written off during the year.

AUDITORS' REPORT TO SHERBORNE COTTAGE BUILDING COMPANY LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated accounts on pages 1 to 3 together with the financial statements of the company for the year ended 31 December 2004 prepared under section 226 of the Companies Act 1985.

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 accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion.

We have carried out the procedures we considered 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statements.

Opinion

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 1 to 3 are properly prepared in accordance with those provisions.

Other information

On 15 July 2005 we reported, as auditors to the member of the company on the financial statements prepared under section 226 of the Companies Act 1985 and our audit report was as follows:-

‘ We have audited the financial statements on page 7 to 14.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

AUDITORS' REPORT TO SHERBORNE COTTAGE BUILDING COMPANY LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985.

We read other information contained in the Annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Qualified opinion arising from disagreement about accounting treatment

As explained in the directors' report freehold properties have not been included at open market value. This is not in accordance with the requirements of Statement of Standard Accounting Practice No. 19.

Except for the absence of this valuation, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BAKER TILLY

Registered Auditor
Chartered Accountants
Old Sarum House
49 Princes Street
Yeovil
Somerset
BA20 1EG

12 December 2005.