

D G BRUCE ENTERPRISES LIMITED

FINANCIAL STATEMENTS

31 October 2005

Registered number: 1558349

(England and Wales)

ATHAWES & CO LTD

Chartered Accountants and Registered Auditor



D G BRUCE ENTERPRISES LIMITED

FINANCIAL STATEMENTS

For the year ended 31 October 2005

INDEX

1	Company Information
2	Directors report
3	Directors responsibilities
4	Accountants report
5	Profit and Loss Account
6	Balance Sheet
7 – 12	Notes to the accounts

The following pages do not form part of the statutory accounts

13	Detailed Trading and Profit and Loss Account
14	Schedule to the Detailed Profit and Loss Account

D G BRUCE ENTERPRISES LIMITED**COMPANY INFORMATION****31 October 2005**

Number	1558349
Directors	D G Bruce
Secretary	Stirling Secretarial Services Ltd
Registered Office	48 Perry Street Northfleet Kent DA11 8RE
Bankers	National Westminster Bank Plc 30 King Street Gravesend Kent DA12 2DU Lloyds TSB Bank plc 78 New Road Gravesend Kent DA11 0AR
Accountants	Athawes & Co Ltd Chartered Accountants & Registered Auditor Stirling House Sunderland Quay Culpeper Close Medway City Estate Rochester Kent ME2 4HN

D G BRUCE ENTERPRISES LIMITED**DIRECTORS' REPORT****31 October 2005**

The director presents his report and financial accounts for the year ended 31 October 2005.

Principal activity

The principal activity of the company throughout the year was that of property development, investment and letting of property including holiday lettings.

Director

The director who served during the year and his beneficial interest in the company's issued ordinary share capital were as follows:-

	31 October 2005	31 October 2004
	ordinary £1 shares	ordinary £1 shares
D G Bruce	2,101	2,101

Small Company Rules

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities. This report was approved by the Board of Directors and signed on its behalf


D.G. Bruce - Director

29 March 2006

D G BRUCE ENTERPRISES LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the director to prepare financial accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that year. In preparing those financial accounts, the director is required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business;

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial accounts comply with the Companies Act 1985. He is 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.

Amounts are presented within items in the profit and loss account and the balance sheet, the director has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice.

In the case of each of the persons who are directors at the time when the directors report is approved:

- so far the director is aware, there is no relevant audit information (information needed by the company's accountants in connection with preparing their report) of which the company's accountants are unaware, and
- each director has taken all the steps that he ought to have taken as director in order to make himself aware of any relevant audit information and to establish that the company's accountants are aware that information (s. 234ZA(2)).

By order of the board



D G Bruce
Director

22 March 2006

D G BRUCE ENTERPRISES LIMITED
ACCOUNTANTS' REPORT
ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS
OF D G BRUCE ENTERPRISES LIMITED

In accordance with the engagement letter dated 3 January 2006, 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 of 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 for the year ended 31 October 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.

Athawes & Co Ltd
Chartered Accountants
& Registered Auditor
Stirling House
Sunderland Quay
Culpeper Close
Medway City Estate
Rochester
Kent ME2 4HN

Athawes & Co Ltd

31 March
.....2006

D G BRUCE ENTERPRISES LIMITED**PROFIT AND LOSS ACCOUNT****for the year ended 31 October 2005**

	Note	2005 £	2004 £
Turnover		-	174,999
Cost of sales		-	(154,229)
Gross profit		-	20,770
Net Operating expenses			
Administrative expenses		(27,211)	(13,402)
Other operating income		28,986	24,877
Operating profit	2	1,775	32,245
Interest payable		(10,289)	(3,741)
(Loss) profit on ordinary activities		(8,514)	28,504
before taxation			
Taxation	4	130	(5,421)
Retained (loss) profit for the year		(8,384)	23,083
Retained profit brought forward		171,069	147,986
Retained profit carried forward		162,685	171,069

The notes on pages 7 to 12 form part of these financial statements

D G BRUCE ENTERPRISES LIMITED**BALANCE SHEET**

as at 31 October 2005

	Note	2005	2004
		£	£
Fixed assets			
Tangible assets	5	365,746	166,484
Fixed asset investment	6	1	1
Current assets			
Stocks	7	125,399	125,399
Debtors	8	81,581	66,961
Balance at bank		-	1,236
		<u>206,980</u>	<u>193,596</u>
Creditors: amounts falling due within one year	9	<u>407,940</u>	<u>186,765</u>
Net current (liabilities) assets		<u>(200,960)</u>	<u>6,831</u>
Total assets less current liabilities		<u>164,787</u>	<u>173,316</u>
Provision for liabilities and charges	10	<u>-</u>	<u>(145)</u>
		<u>164,787</u>	<u>173,171</u>
Capital and reserves			
Called up share capital	11	2,102	2,102
Profit and loss account		<u>162,685</u>	<u>171,069</u>
Total shareholders' funds		<u>164,787</u>	<u>173,171</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities. As required under section 249B(4) of the Companies Act 1985, the director of the company states the following:-

- a) for the year ended 31 October 2005 the company was entitled to the exemption conferred by subsection (1) of section 249(A)
- b) no notice has been deposited under subsection (2) of section 249B in relation to the accounts for the financial year.
- c) that the director acknowledges his responsibility for:-
 - (i) ensuring 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 financial year and of its 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 accounts, so far as applicable to the company.

The notes on pages 7 to 12 form part of these financial statements.

The financial statements on pages 5 to 12 were approved by the board of directors' on 29.3.2006

D G Bruce.....Director

D G BRUCE ENTERPRISES LIMITED
NOTES ON FINANCIAL STATEMENTS
31 October 2005

1. Accounting policies

Basis of Accounting

These financial accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective June 2002).

Turnover

Turnover comprises the invoiced goods and services and sale of properties falling within the company's ordinary activities.

Tangible Fixed Assets

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.

No depreciation has been provided on the freehold land and buildings acquired during the year.

Short Leasehold Property	Over the period of the lease
Plant & Machinery	15% on written down value
Fixtures & Fittings	15% on written down value
Motor vehicle	25% on written down value

Stock and work in progress

Stock and work in progress valued at cost which includes the cost of labour.

Deferred Taxation

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However, deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred taxation is measured on a non-discounted basis at the average tax rates that would apply when the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

	2005	2004
	£	£
2. Operating profit		
Operating profit is stated		
after charging:		
Depreciation of tangible assets	445	580
	<u>445</u>	<u>580</u>
Depreciation of tangible fixed assets:		
Depreciation of owned assets	445	580
	<u>445</u>	<u>580</u>
Other operating income	£	£
Rents receivable	28,152	19,973
Insurance refunds	209	448
Bank interest received	238	503
Insurance claims	387	3,953
	<u>28,986</u>	<u>24,877</u>

D G BRUCE ENTERPRISES LIMITED
NOTES ON FINANCIAL STATEMENTS

31 October 2005

3. Directors

	2005	2004
	£	£
Directors emoluments	13,000	13,000
	<u>13,000</u>	<u>13,000</u>

4. Taxation

	2005	2004
	£	£
Taxation is based on the (loss) profit for the year and charged at 19% (2004: 19%)		
Corporation tax	-	5,443
Corporation tax interest paid(received)	15	(1)
Deferred taxation (credit)	(145)	(21)
	<u>(130)</u>	<u>5,421</u>

Corporation tax is computed on taxable (loss) profit at the current rates of tax.
The tax loss for the year has been decreased by expenditure not allowable for taxation.

No Corporation Tax arises due to trading losses which have been carried forward.

D G BRUCE ENTERPRISES LIMITED

NOTES ON FINANCIAL STATEMENTS

31 October 2005

5. Tangible fixed assets	Plant & machinery £	Fixtures & fittings £	Motor vehicle £	Land & buildings £	Total
Cost					
1 November 2004	1581	2423	2500	166188	172692
Additions	-	-	-	199707	199707
	-----	-----	-----	-----	-----
31 October 2005	1581	2423	2500	365895	372399
	=====	=====	=====	=====	=====
Depreciation					
1 November 2004	1198	2174	1094	1742	6208
Charge for year	57	37	351	-	445
	-----	-----	-----	-----	-----
31 October 2005	1255	2211	1445	1742	6653
	-----	-----	-----	-----	-----
Net book amount					
31 October 2005	326	212	1055	364153	365746
	=====	=====	=====	=====	=====
31 October 2004	383	249	1406	164446	166484
	=====	=====	=====	=====	=====
Land and buildings			2005	2004	
			£	£	
Cost					
Freehold land and buildings			364,153	164,446	
Short leasehold land and buildings			<u>1,742</u>	<u>1,742</u>	
			365,895	166,188	
			=====	=====	
Depreciation					
Short leasehold land and buildings			<u>1,742</u>	<u>1,742</u>	
			=====	=====	

The director considers the current valuation of the freehold properties is in excess of the net book value. The freehold properties purchased in November 2004, May 2005 and July 2005 are considered to exceed book value.

D G BRUCE ENTERPRISES LIMITED
NOTES ON FINANCIAL STATEMENTS

31 October 2005

6. Fixed asset investments	Unlisted investments £
Cost	
At 1 November 2004	1

At 31 October 2005	1

Net book value	
At 31 October 2005	1
	=====
At 31 October 2004	1
	=====

The company owns more than 10% of the share capital in the following companies which operate principally in the United Kingdom, and has share capital consisting solely of ordinary shares.

Name	Nature of business	Percentage of shares
Westminster Construction Ltd	Property speculation	100%

The company did not trade during this period

Year end	Net assets(liabilities) £	Profit(loss) £
Westminster Construction Ltd	30 June 2005 (433)	NIL

Group accounts have not been prepared as the company is entitled to the exemption from the requirement to prepare group accounts conferred by section 268 of the Companies Act 1985. The aggregate amount of investment in and indebtedness with the group undertaking is as follows:-

	Shares in group undertakings £	Loans to/(from) group undertakings £	Total £
Westminster Construction Ltd	1	29333	29334
	-----	-----	-----
	1	29333	29334
	=====	=====	=====

D G BRUCE ENTERPRISES LIMITED
NOTES ON FINANCIAL STATEMENTS

31 October 2005

7.	Stocks	2005	2004
		£	£
	Stock of freehold property	125,399	125,399
		-----	-----
		<u>125,399</u>	<u>125,399</u>
8.	Debtors	2005	2004
	Amounts falling due within one year:	£	£
	Interest in joint venture	50,938	32,500
	Other debtors	-	3,500
	Amounts due from group undertakings	29,333	29,500
	Prepayments and accrued income	1,310	1,461
		-----	-----
		<u>81,581</u>	<u>66,961</u>
		2005	2004
		£	£
9.	Creditors: amounts falling due within one year		
	Bank overdraft	5,129	427
	Bank loans	260,000	85,000
	Trade creditors	160	296
	Other creditors:		
	Corporation tax	-	5,443
	Other taxes and social security	267	273
	Other creditors	139,565	92,631
	Accruals and deferred income	2,819	2,695
		-----	-----
		<u>407,940</u>	<u>186,765</u>

The bank loan is secured by a first legal mortgage over freehold or leasehold properties.

	2005	2004
	£	£
Bank loans		
Maturity of debt included above		
In the next year	260,000	85,000
	-----	-----
	<u>260,000</u>	<u>85,000</u>

D G BRUCE ENTERPRISES LIMITED
NOTES ON FINANCIAL STATEMENTS

31 October 2005

10. Provision for liabilities and charges

	2005 £	2004 £
Deferred taxation	-	145
At start of year	145	166
(Release) charge for the year	(145)	21
At end of year	-	145

The company has applied the FRSSE (effective June 2002). There is no effect as a result of the change in policy.

Provision is made for taxation liabilities arising from the allocation of items to different periods for taxation and for accounting purposes. Except where it is probable that a liability will not crystallise. The source of the balance on the deferred taxation account and the amounts for which provision has been made are as follows:-

	2005 £	2004 £
Accelerated capital allowances	-	145
	-	145

11. Called up share capital

	2005 Number of	£	2004 Number of	£
Authorised				
Equity shares				
Share Capital				
Ordinary £1 shares	10,000	10,000	10,000	10,000
Allotted called up And fully paid				
Equity shares				
Share Capital				
Ordinary £1 shares	2,102	2,102	2,102	2,102