

REGISTRAR'S COPY

COMPANY

NUMBER: 3178837

Sellar Properties (London 4) Limited

Report and Financial Statements

Year Ended

31 March 2005



BDO Stoy Hayward
Chartered Accountants



SELLAR PROPERTIES (LONDON 4) LTD

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SELLAR PROPERTIES (LONDON 4) LTD

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MARCH 2005

The director presents his report and the financial statements for the year ended 31 March 2005.

Results

The profit and loss account is set out on page 3 and shows the result for the year.

Principal activities and future developments

The company's principal activity is that of a holding company. There have been no significant changes in the company's activities since the year end.

Director

The director who served during the year and his beneficial interest in the company's issued share capital was:

	Ordinary shares of 10p each	
	31/3/05	31/3/04
I G Sellar	15	15

Statement of director's responsibilities

Company law requires the director to prepare financial statements for each financial year which 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 director is 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 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 statements 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.

Auditors

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to reappoint them as auditors will be proposed at the next annual general meeting.

This report has been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies

By order of the board



P H Turpin
Secretary

Date: 28 March 2006

INDEPENDENT AUDITORS' REPORT

To the shareholders of Sellar Properties (London 4) Limited

We have audited the financial statements Sellar Properties (London 4) Limited for the year ended 31 March 2005 on pages 3 to 9 which have been prepared under the accounting policies set out on page 6.

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 Director's 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 Director's 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2005 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward LLP

BDO Stoy Hayward LLP

Chartered Accountants and Registered Auditors

Reading

Date: 29 March 2006

SELLAR PROPERTIES (LONDON 4) LTD

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2005

	Note	2005 £	2004 £
Turnover	2	-	115,269
Cost of services		-	(1,656)
Net Property Income		-	113,613
Administrative expenses		(85,425)	(1,086,227)
Operating loss	3	(85,425)	(972,614)
Interest receivable		39,716	9,712
Interest payable	4	(80,714)	(123,377)
Loss on ordinary activities before and after taxation		(126,423)	(1,086,279)
Retained profit brought forward		432,185	1,284,851
Transfer from revaluation reserve		-	233,613
Retained profit carried forward	10	<u>305,762</u>	<u>432,185</u>

All amounts relate to continuing activities.

The notes on pages 6 to 9 form part of these financial statements.

SELLAR PROPERTIES (LONDON 4) LTD

STATEMENT OF RECOGNISED GAINS AND LOSSES
For the year ended 31 March 2005

	2005 £	2004 £
Loss for the financial year after taxation	(126,423)	(1,086,279)
Unrecognised loss on revaluation of properties	-	-
Total recognised losses relating to the year	<u>(126,423)</u>	<u>(1,086,279)</u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES
For the year ended 31 March 2005

	2005 £	2004 £
Reported loss on ordinary activities before taxation	(126,423)	(1,086,279)
Realisation of property revaluation gains of previous years	-	<u>233,613</u>
Historical cost (loss)/profit on ordinary activities before and after taxation	<u>(126,423)</u>	<u>(852,666)</u>

The notes on pages 6 to 9 form part of these financial statements.

SELLAR PROPERTIES (LONDON 4) LTD

BALANCE SHEET As at 31 March 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed assets					
Investments	5		<u>2</u>		<u>2</u>
			2		2
Current assets					
Debtors	6	2,108,218		1,856,611	
Cash on deposit		-		1,578,716	
Cash at bank and in hand		<u>444</u>		<u>3,795</u>	
		2,108,662		3,439,122	
Creditors: amounts falling due within one year	7	<u>(1,802,900)</u>		<u>(1,645,092)</u>	
Net current assets			<u>305,762</u>		<u>1,794,030</u>
Total assets less current liabilities			305,764		1,794,032
Creditors: amounts falling due after more than one year	8		<u>-</u>		<u>(1,361,845)</u>
Net assets			<u>305,764</u>		<u>432,187</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account			<u>305,762</u>		<u>432,185</u>
Equity shareholders' funds			<u>305,764</u>		<u>432,187</u>

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

The financial statements were approved by the board on 28 March 2006 and signed on its behalf.


I G Sellar
Director

The notes on pages 6 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2005

1. Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and include the results of the company's operations which are described in the Director's Report.

The following principal accounting policies have been applied:

Group accounts

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash Flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.

Turnover

Turnover comprises rental income and service costs rechargeable.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax balances are not discounted.

2. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3. Operating loss

The operating loss is stated after charging:

	2005 £	2004 £
Auditors' remuneration	2,750	3,500
Directors' remuneration	<u>-</u>	<u>-</u>

4. Interest payable

	2005 £	2004 £
Mortgage interest	57,860	108,442
Bank interest	2	6
Interest on late tax	<u>22,852</u>	<u>14,929</u>
	<u>80,714</u>	<u>123,377</u>

SELLAR PROPERTIES (LONDON 4) LTD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

5. Fixed Asset Investments

Shares
in group
undertakings
£

Cost and net book value

At 31 March 2004 and 31 March 2005

2

Investments include an investment in a subsidiary, Wickpick Limited, comprising a holding of 100% of its issued ordinary capital.

During its latest financial year Wickpick Limited made a loss after tax of £1,988 and at the end of that year the aggregate of its capital and reserves was £ 67,334.

Investments include an investment in a subsidiary, Arnldodge Limited, comprising a holding of 100% of its issued ordinary capital.

During its latest financial year Arnldodge Limited made a profit after tax of £8,334 and at the end of that year the aggregate of its capital and reserves was £138,679.

6. Debtors

2005
£

2004
£

Due within one year

Amounts owed by group undertakings

74,626

66,087

Amounts owed by connected companies

1,893,420

1,786,293

Prepayments and accrued income

140,172

4,231

2,108,218

1,856,611

7. Creditors: amounts falling due within one year

2005
£

2004
£

Mortgage loan (secured)

-

20,185

Trade creditors

69,624

70,776

Amounts due to group undertakings

550

-

Amounts due to connected companies

1,335,041

1,161,484

Taxation and social security

253,906

253,906

Accruals and deferred income

143,779

138,741

1,802,900

1,645,092

Included within taxation and social security is an amount of £253,906 (2004 - £253,906) relating to income tax on mortgage interest retained at source.

SELLAR PROPERTIES (LONDON 4) LTD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

8. Creditors: amounts falling due after more than one year

	2005 £	2004 £
Mortgage loan (secured)	<u>-</u>	<u>1,361,845</u>

Maturity of debt:

	Mortgage Loan 2005 £	Mortgage Loan 2004 £
In 1 year or less, or on demand	<u>-</u>	<u>20,185</u>
In more than 1 year but not more than 2 years	-	21,818
In more than 2 years but not more than 5 years	-	87,591
In more than 5 years	<u>-</u>	<u>1,252,436</u>
	<u>-</u>	<u>1,361,845</u>

9. Called up share capital

	2005 £	2004 £
Authorised		
10,000 Ordinary shares of 10p each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
20 Ordinary shares of 10p each	<u>2</u>	<u>2</u>

10. Reserves

	Profit and loss Account
At 31 March 2004	432,185
Transfer of realised profits	-
Loss for year	<u>(126,423)</u>
At 31 March 2005	<u>305,762</u>

SELLAR PROPERTIES (LONDON 4) LTD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2005

11. Related parties

Mr I G Sellar, a Director and Shareholder, is the ultimate controlling party by virtue of his holding in the Company's equity capital. The current intercompany balances with companies of which Mr I G Sellar is a director and shareholder are as follows:

Debit balances:

Sellar Properties (Western) Limited	£20,255	(2004 - £20,255)
Vansend Limited	£1,341,242	(2004 - £1,396,242)
Sellar Properties (Eastern) Limited	£308,724	(2004 - £206,286)
Sellar Properties (Central) Limited	£38,325	(2004 - £30,659)
Arncliffe Limited	£74,626	(2004 - £66,087)
Sellar Properties (London 2) Limited	£114,851	(2004 - £114,851)
Foundford Limited	£61,000	(2004 - £18,000)
The Pompey Centre Ltd	£9,023	(2004 - £nil)

Credit balances:

Sellar Properties (Chalk Farm) Limited	£79,750	(2004 - £79,800)
Doublemore Limited	£6,973	(2004 - £5,831)
Resource Management (London) Limited	£953,436	(2004 - £875,353)
Wickpick Ltd	£550	(2004 - £nil)
Sellar Properties (Coventry) Limited	£174,000	(2004 - £174,000)
Sellar Properties (Ashton) Limited	£54,761	(2004 - £26,500)
Sellar Properties (Portsmouth Phase 1) Ltd	£55,904	(2004 - £nil)
Sellar Properties (Portsmouth) Ltd	£2,549	(2004 - £nil)
Sellar Properties (London Bridge) Ltd	£7,667	(2004 - £nil)

Movements on the above balances during the year represented recharges and transfers of funds between these companies.