

Company Registration number 3820426

SOVEREIGN STRATEGY LIMITED

Abbreviated Financial Statements

For the year ended 31 March 2005



SOVEREIGN STRATEGY LIMITED

Financial statements for the year ended 31 March 2005

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SOVEREIGN STRATEGY LIMITED

Auditors' report to Sovereign Strategy Limited

under section 247B of the Companies Act 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31 March 2005 prepared under section 226 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 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 such procedures as 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 have been 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 financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

RMT

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RMT
Registered Auditors
Gosforth Park Avenue
Newcastle upon Tyne
NE12 8EG

Date: *27 January 2006*

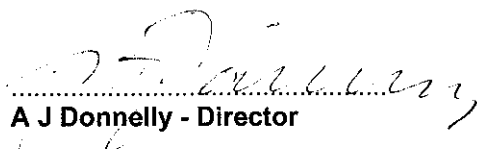
SOVEREIGN STRATEGY LIMITED

Abbreviated balance sheet as at 31 March 2005

	Notes	2005 £	2004 £
Fixed assets			
Tangible assets	2	34,502	22,342
Current assets			
Debtors	3	473,406	291,585
Cash at bank and in hand		178,740	122,840
		652,146	414,425
Creditors: amounts falling due within one year	4	(391,830)	(212,804)
Net current assets		260,316	201,621
Total assets less current liabilities		294,818	223,963
Capital and reserves			
Called up share capital	5	98	98
Profit and loss account		294,720	223,865
Shareholders' funds		294,818	223,963

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board of directors on 26 January 2006 and signed on its behalf.


A J Donnelly - Director

SOVEREIGN STRATEGY LIMITED

Notes to the abbreviated financial statements for the year ended 31 March 2005

1 Accounting policies

a) Basis of accounting

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

b) Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax. Turnover arose wholly within the United Kingdom and is wholly attributable to the continuing principal activity of the company.

c) Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are:

Motor vehicles	25% on cost
Equipment, fixtures and fittings	25% on cost

d) Work in progress

Work in progress is stated at the lower of cost or net realisable value plus attributable profit less foreseeable losses.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

SOVEREIGN STRATEGY LIMITED

Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

2 Tangible fixed assets

	Total
	£
Cost:	
At 1 April 2004	45,007
Additions	22,002
At 31 March 2005	67,009
Depreciation:	
At 1 April 2004	22,665
Provision for the year	9,842
At 31 March 2005	32,507
Net book value:	
At 31 March 2005	34,502
At 1 April 2004	22,342

3 Debtors

Included within other debtors is an amount of £63,090 (2004: £38,620) relating to loan account for one of the directors, A J Donnelly. This was the maximum balance outstanding during the year (2004: £38,620).

Also included within other debtors is an amount of £4,525 (2004: £nil) relating to a loan account for I Malcolm, a director. This represented the maximum balance outstanding in the year.

At the year end, no fixed terms were in place as to interest or repayment of these balances, however A J Donnelly and I Malcolm have paid these balances in full following the year end.

4 Creditors: amounts falling due within one year

Included in creditors are bank overdrafts of £114,226 (2004: £30,633) which are secured.

SOVEREIGN STRATEGY LIMITED

Notes to the abbreviated financial statements for the year ended 31 March 2005 (continued)

5 Called-up share capital

	2005	2004
	£	£
Authorised		
Equity shares:		
Ordinary shares of £1 each	1,000	1,000
Non-equity shares:		
10% redeemable preference shares	50,000	50,000
	<u>51,000</u>	<u>51,000</u>
 Allotted, called up and fully paid		
Equity shares:		
Ordinary shares of £1 each	<u>98</u>	<u>98</u>

6 Related parties

During the year, the company made payments amounting to £11,649 (2004: £20,950) in respect of services received from Mercer Street Marketing and Consulting Limited. This company is controlled by A O Fletcher, a director.

During the year, the company made payments amounting to £39,000 (2004: £6,000) in respect of services received from Brinkburn Associates. This is a business controlled by J A Cunningham, a director.

7 Controlling party

A J Donnelly is the controlling party by virtue of his ownership of 67% (2004: 67%) of the issued ordinary share capital of the company.