

Company Registration No. 4288359 (England and Wales)

DURGAN MONSTEIN PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005



DURGAN MONSTEIN PLC

COMPANY INFORMATION

Directors	G. R. Durgan J. H. Durgan
Secretary	G. R. Durgan
Company number	4288359
Registered office	Fielding House, Jubilee Road Littlewick Green Maidenhead SL6 2QU
Auditors	E A Kench & Co. 10 Station Road Henley on Thames Oxfordshire RG9 1AY
Business address	Fielding House, Jubilee Road Littlewick Green Maidenhead SL6 2QU

DURGAN MONSTEIN PLC

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DURGAN MONSTEIN PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report and financial statements for the year ended 31 December 2005.

Principal activities and review of the business

The principal activity of the company is that of the provision of mentoring services.

During the year the company achieved turnover of £15,000, which resulted in a profit before tax of £5,777. The Directors are satisfied with the results for the year.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend payment of an ordinary dividend.

Future developments

The Company is expected to continue trading at similar levels to the year ending 31st December 2006.

Directors

The following directors have held office since 1 January 2005:

G. R. Durgan

J. H. Durgan

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary share of 10p each	
	31 December 2005	1 January 2005
G. R. Durgan	499,999	499,999
J. H. Durgan	1	1

Auditors

E A Kench & Co have signified their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the forthcoming annual general meeting.

DURGAN MONSTEIN PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

Directors' responsibilities

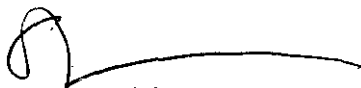
The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 directors are 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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.

On behalf of the board



G. R. Durgan

28 JUL 2006

DURGAN MONSTEIN PLC

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF DURGAN MONSTEIN PLC

We have audited the financial statements of Durgan Monstein PLC for the year ended 31 December 2005 set out on pages 5 to 11. These financial statements have been prepared under the accounting policies set out therein.

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 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 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 or 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 other transactions is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out in note 13 to the financial statements.

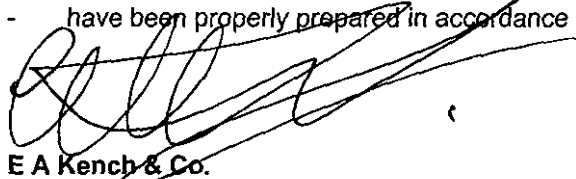
DURGAN MONSTEIN PLC

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF DURGAN MONSTEIN PLC

Opinion

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended ; and
- have been properly prepared in accordance with the Companies Act 1985.



E A Kench & Co.

31 JUL 2006

Chartered Accountants
Registered Auditor

10 Station Road
Henley on Thames
Oxfordshire
RG9 1AY

DURGAN MONSTEIN PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	2005 £	2004 £
Turnover	2	15,000	14,550
Cost of sales		(4,040)	(8,000)
Gross profit		10,960	6,550
Administrative expenses		(5,629)	(4,044)
Operating profit	3	5,331	2,506
Other interest receivable and similar income	4	446	360
Profit on ordinary activities before taxation		5,777	2,866
Tax on profit on ordinary activities	5	(1,132)	(436)
Profit for the year	9	4,645	2,430

The profit and loss account has been prepared on the basis that all operations are continuing operations.


There are no recognised gains and losses other than those passing through the profit and loss account.

DURGAN MONSTEIN PLC

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 £	£	2004 £	£
Current assets					
Debtors	6	10,906		7,846	
Cash at bank and in hand		17,969		15,731	
		<u>28,875</u>		<u>23,577</u>	
Creditors: amounts falling due within one year	7	<u>(3,427)</u>		<u>(2,774)</u>	
Total assets less current liabilities			<u>25,448</u>		<u>20,803</u>
Capital and reserves					
Called up share capital	8		12,500		12,500
Profit and loss account	9		12,948		8,303
Shareholders' funds	10		<u>25,448</u>		<u>20,803</u>

Approved by the Board and authorised for issue on **28 JUL 2006**



G. R. Durgan
Director

DURGAN MONSTEIN PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

	£	2005 £	£	2004 £
Net cash inflow/(outflow) from operating activities		2,208		(98)
Returns on investments and servicing of finance				
Interest received	446		360	
Net cash inflow for returns on investments and servicing of finance		446		360
Taxation		(416)		(2,001)
Net cash inflow/(outflow) before management of liquid resources and financing		2,238		(1,739)
Increase/(decrease) in cash in the year		2,238		(1,739)

DURGAN MONSTEIN PLC

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2005	2004
		£	£
	Operating profit	5,331	2,506
	Increase in debtors	(3,060)	(1,222)
	Decrease in creditors within one year	(63)	(1,382)
	Net cash inflow/(outflow) from operating activities	2,208	(98)

2	Analysis of net funds	1 January 2005	Cash flow	Other non-cash changes	31 December 2005
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	15,731	2,238	-	17,969
	Bank deposits	-	-	-	-
	Net funds	15,731	2,238	-	17,969

3	Reconciliation of net cash flow to movement in net funds	2005	2004
		£	£
	Increase/(decrease) in cash in the year	2,238	(1,739)
	Movement in net funds in the year	2,238	(1,739)
	Opening net funds	15,731	17,470
	Closing net funds	17,969	15,731

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2005 £	2004 £
Operating profit is stated after charging:		
Auditors' remuneration	2,200	2,150
Remuneration of auditors for non-audit work	1,908	545

4 Investment income	2005 £	2004 £
Bank interest	446	360

5 Taxation	2005 £	2004 £
Domestic current year tax		
U.K. corporation tax	1,057	341
Adjustment for prior years	75	95
Current tax charge	1,132	436

6 Debtors	2005 £	2004 £
Trade debtors	5,875	5,346
Other debtors	31	-
Prepayments and accrued income	5,000	2,500
	10,906	7,846

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7	Creditors: amounts falling due within one year	2005	2004
		£	£
	Corporation tax	1,057	341
	Other taxes and social security costs	-	283
	Accruals and deferred income	2,370	2,150
		<u>3,427</u>	<u>2,774</u>
8	Share capital	2005	2004
		£	£
	Authorised		
	500,000 Ordinary shares of 10p each	<u>50,000</u>	<u>50,000</u>
	Allotted, called up and partly paid		
	500,000 Ordinary shares on which 2.5p has been paid	<u>12,500</u>	<u>12,500</u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 January 2005		8,303
	Retained profit for the year		<u>4,645</u>
	Balance at 31 December 2005		<u>12,948</u>
10	Reconciliation of movements in shareholders' funds	2005	2004
		£	£
	Profit for the financial year	4,645	2,430
	Opening shareholders' funds	<u>20,803</u>	<u>18,373</u>
	Closing shareholders' funds	<u>25,448</u>	<u>20,803</u>
11	Directors' emoluments	2005	2004
		£	£
	Emoluments for qualifying services	<u>905</u>	<u>1,270</u>

DURGAN MONSTEIN PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

12 Employees

Number of employees

There were no employees during the year apart from the directors.

Employment costs	2005 £	2004 £
Wages and salaries	905	1,270
Social security costs	320	-
	<u>1,225</u>	<u>1,270</u>

13 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.