

ZAYAN PROPERTIES LIMITED

Company Number : 4873745

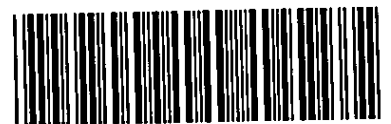
**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006**

WEEKS RHODES & COMPANY

Chartered Accountants

11A Derby Road
Borrowash
DERBY
DE72 3JW

SATURDAY



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COMPANIES HOUSE

ZAYAN PROPERTIES LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report and financial statements for the year ended 31 August 2006

Principal Activities and Significant Changes

The principal activities of the company throughout the year were those of property development

No significant changes were reported in the accounts for the year

Directors and their Interests

The directors who served the company throughout the year together with their interests (including family interests) in the shares of the company, at the beginning and end of the year were as follows

	<u>Ordinary Shares of £1 each</u>	
	<u>31 August 2006</u>	<u>31 August 2005</u>
B S Chahal	25	25
P S Chahal	30	30
R S Khara	10	10

Auditors

The directors have decided to take advantage of the provisions of section 249A(1) of the Companies Act 1985 and therefore an audit has not been carried out for the year under review

Small Company Rules

The directors' report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies

ZAYAN PROPERTIES LIMITED

REPORT OF THE DIRECTORS, continued

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP)

Company law requires the directors to prepare financial statements for each financial period 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 judgments 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

By Order of the Board



J S CHAHAL - Secretary

11A Derby Road
Borrowash
DERBY
DE72 3JW

22 JUNE 2007

ZAYAN PROPERTIES LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2006**

	<u>Notes</u>	<u>2006</u> £	<u>2005</u> £
TURNOVER	2	-	-
Cost of Sales		-	-
		<u>-</u>	<u>-</u>
GROSS PROFIT		-	-
Distribution Costs		(6,171)	(917)
Administrative Expenses		(1,990)	(919)
Other Operating Income		1,262	-
		<u>-</u>	<u>-</u>
OPERATING LOSS	3	(6,899)	(1,836)
Interest Receivable and Similar Income		747	2,045
Interest Payable and Similar Charges	6	-	-
		<u>-</u>	<u>-</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(6,152)	209
Taxation	7	-	-
		<u>-</u>	<u>-</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION, FOR THE FINANCIAL YEAR	15	<u>(6,152)</u>	<u>209</u>

ZAYAN PROPERTIES LIMITED

BALANCE SHEET AT 31 AUGUST 2006

			<u>2006</u>	<u>2005</u>
	<u>Notes</u>	£	£	£
FIXED ASSETS				
Tangible Assets	8		3,041	-
CURRENT ASSETS				
Stocks	9	1,623,986		599,123
Debtors	10	29,896		2,850
Investments	11	-		1,000
Cash at Bank and in Hand		6,315		52,882
		<u>1,660,197</u>		<u>655,855</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	<u>(1,418,392)</u>		<u>(405,023)</u>
NET CURRENT ASSETS			<u>241,805</u>	<u>250,832</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>244,846</u>	<u>250,832</u>
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	13		(251,711)	(251,545)
PROVISIONS FOR LIABILITIES AND CHARGES			<u>-</u>	<u>-</u>
NET (LIABILITIES)			<u>(6,865)</u>	<u>(713)</u>
CAPITAL AND RESERVES				
Called-Up Share Capital	14		100	100
Profit and Loss Account	15		(6,965)	(813)
			<u>(6,865)</u>	<u>(713)</u>

The directors have

- (a) taken advantage of the Companies Act 1985 in not having these accounts audited under section 249A(1),
- (b) confirmed that the members have not required the company to obtain an audit of its accounts for the year in accordance with section 249B(2) of the Companies Act 1985,
- (c) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
- (d) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit/loss (whichever is applicable) for the year ended 31 August 2006 in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to this company

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Board on 22 JUNE 2007

B. S. Chahal

B S CHAHAL - Director

ZAYAN PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006

1. ACCOUNTING POLICIES

(a) Accounting Basis and Standards

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

(b) Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost or revalued amounts, less estimated residual value, of each asset over its expected useful life as follows

Plant and Equipment	25% straight line
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(c) Turnover

Turnover represents the invoiced value of properties sold/services provided net of value added tax. Turnover is recognised on property developments when they are subject to substantially unconditional contracts for sale

Rent receivable from unsold property developments is included in other operating income

(d) Stock and Work in Progress

Development properties are stated at the lower of cost and net realisable value. In the case of long term property development projects, interest on borrowings related to individual projects is included as a cost of these projects

2. TURNOVER

Turnover is attributable to the one principal activity of the company which arose wholly in the United Kingdom

ZAYAN PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006, continued****3. OPERATING LOSS**

	<u>2006</u>	<u>2005</u>
The operating loss is stated after charging	£	£
Depreciation		
Owned Tangible Fixed Assets	563	-
Assets held under Finance Leases and Hire		
Purchase Contracts	-	-
	<u> </u>	<u> </u>

4. EMPLOYEE INFORMATION

No employee remuneration was paid in the year (2005 £Nil)

5. DIRECTORS' EMOLUMENTS

	<u>2006</u>	<u>2005</u>
	£	£
Aggregate Emoluments including Benefits in Kind	-	-
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2006</u>	<u>2005</u>
	£	£
Bank Loans and Overdrafts	-	-
Finance Leases and Hire-Purchase Contracts	-	-
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

Interest charges of £27,074 in the year (2005 £259) have been included in the cost of property development projects (note 9)

ZAYAN PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006, continued****7. TAXATION**

	<u>2006</u>	<u>2005</u>
	£	£
Corporation Tax Charge	-	-
Deferred Taxation	-	-
	<u>-</u>	<u>-</u>

Losses of £6,371 (2005 £782) are available for future relief

8. TANGIBLE FIXED ASSETS

	<u>Plant and Equipment</u>	<u>Total</u>
	£	£
COST		
At 1 September 2005	-	-
Additions	3,604	3,604
Disposals	-	-
	<u>-</u>	<u>-</u>
At 31 August 2006	<u>3,604</u>	<u>3,604</u>
DEPRECIATION		
At 1 September 2005	-	-
Charge for Year	563	563
On Disposals	-	-
	<u>-</u>	<u>-</u>
At 31 August 2006	<u>563</u>	<u>563</u>
NET BOOK VALUE		
At 31 August 2005	<u>-</u>	<u>-</u>
At 31 August 2006	<u>3,041</u>	<u>3,041</u>

ZAYAN PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006, continued****9. STOCKS**

	<u>2006</u>	<u>2005</u>
	£	£
Long Term Work in Progress	1,596,653	598,864
Attributable Interest	27,333	259
	<u>1,623,986</u>	<u>599,123</u>

10. DEBTORS

	<u>2006</u>	<u>2005</u>
	£	£
Due within one year -		
Trade Debtors	600	-
Other Debtors	3,163	2,850
	<u>3,763</u>	<u>2,850</u>
Due after one year -		
NHBC Bond	26,133	-
	<u>29,896</u>	<u>2,850</u>

11. INVESTMENTS

	<u>2006</u>	<u>2005</u>
	£	£
Other Investments	-	1,000

ZAYAN PROPERTIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006, continued****12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2006</u>	<u>2005</u>
	£	£
Trade Creditors	15,577	4,700
Corporation Tax	-	-
Other Creditors	1,402,815	400,323
	<u>1,418,392</u>	<u>405,023</u>

Other creditors includes

- (i) £445,035 (2005 £335,035) due to B & B Leisurewear Limited, a company in which Mr P S Chahal (director) has a significant interest
- (ii) £917,414 (2005 £9,500) bank loans, subject to annual review, secured by a first legal charge over the company's development property and a debenture making a fixed and floating charge against all assets of the company both present and future

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>2006</u>	<u>2005</u>
	£	£
Other Loans	<u>251,711</u>	<u>251,545</u>

Other loans of £251,711 includes £125,711 (2005 £125,545) due to Mr P S Chahal (director) The total loans are interest free and not subject to any fixed repayment terms

ZAYAN PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2006, continued

14. SHARE CAPITAL

	<u>2006</u>	<u>2005</u>
The authorised share capital comprises		
Authorised		
1,000 Ordinary Shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called-Up, Allotted and Fully Paid		
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

15. RECONCILIATION OF RESERVES

	<u>Called-Up Share Capital</u>	<u>Profit and Loss Account</u>
	£	£
Balance at 1 September 2005	100	(813)
Loss for the Year	-	(6,152)
Dividends Paid	-	-
	<u>100</u>	<u>(6,965)</u>

16. CAPITAL COMMITMENTS

	<u>2006</u>	<u>2005</u>
	£	£
Expenditure contracted but not provided in the financial statements	<u>-</u>	<u>-</u>

17. DIRECTORS' INTERESTS IN CONTRACTS AND RELATED PARTY TRANSACTIONS

Relevant financial transactions are disclosed in notes 12 and 13

ZAYAN PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006, continued**

**17. DIRECTORS' INTERESTS IN CONTRACTS AND RELATED PARTY
TRANSACTIONS, continued**

In addition the directors are party, along with the other shareholders, to an agreement to indemnify The National House Building Council (NHBC) against any payments, costs, losses, expenses, damages or fines for which NHBC becomes liable as a result of a failure by the company to comply with its various obligations to the NHBC