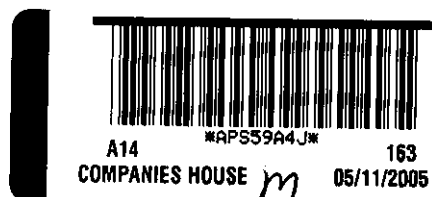


**NEGALE LIMITED**

**DIRECTOR'S REPORT AND**  
**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30TH APRIL 2005**



**GREAVES WEST AND AYRE**

**CHARTERED ACCOUNTANTS**

**BERWICK UPON TWEED**

**NEGALE LIMITED**

**COMPANY INFORMATION**

Director	J.C. Short
Secretary	M.C. Logan
Company Number	03008739
Registered Office	Greaves West and Ayre 1/3 Sandgate Berwick upon Tweed TD15 1EW
Accountants	Greaves West and Ayre Chartered Accountants 1/3 Sandgate Berwick upon Tweed TD15 1EW
Business Address	Humbleton Farm Wooler Northumberland NE71 6SY
Bankers	Cater Allen Bank 29/33 Princess Victoria Street Bristol B58 4YZ

**NEGALE LIMITED**

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**NEGALE LIMITED**  
**DIRECTOR'S REPORT FOR THE YEAR ENDED 30TH APRIL 2005**

The director presents his report and the financial statements for the year ended 30th April 2005.

**Principal Activity**

The company provides management services.

**Director and his Interest**

The director who served during the year and his interest in the company is stated below:

	Ordinary shares	
	2005	2004
J.C. Short	50,000	50,000

**Exemptions**

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on *2<sup>nd</sup> November 2005.*

And signed on its behalf by

*Mary C Logan*  
M.C. Logan  
Secretary

**NEGALE LIMITED**  
**BALANCE SHEET AS AT 30TH APRIL 2005**

<b><u>2004</u></b>	<b><u>Notes</u></b>	<b><u>2005</u></b>
£		£
	<b>Fixed Assets</b>	
50,000	Investments	50,000
	<b>Current Assets</b>	
45,000	Debtors 3	45,000
36,818	Cash at bank and in hand	44,468
<u>81,818</u>		<u>89,468</u>
	<b>Creditors : Amounts falling</b>	
(2,453)	due within one year 4	<u>(3,260)</u>
<u>79,365</u>	<b>Net Current Assets</b>	<u>86,208</u>
<u>129,365</u>	<b>Total Assets Less Current Liabilities</b>	<u>136,208</u>

The notes on pages 5 to 6 form an integral part of these financial statements.

<u>2004</u>		<u>Notes</u>		<u>2005</u>
£				£
	<b>Capital and Reserves</b>			
50,000	Called up share capital	5		50,000
79,365	Profit and loss account			86,208
<u>129,365</u>	<b>Shareholders' Funds</b>			<u>136,208</u>

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**NEGALE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

<b><u>2004</u></b>		<b><u>Notes</u></b>	<b><u>2005</u></b>
<b>£</b>			<b>£</b>
5,000	<b>Turnover</b>	2	5,000
(615)	Administrative expenses		(668)
<u>4,385</u>	<b>Operating profit</b>		<u>4,332</u>
<u>3,833</u>	Interest receivable and similar income		<u>4,401</u>
8,218	<b>Profit on ordinary activities before taxation</b>		8,733
(1,736)	Tax on profit on ordinary activities	6	(1,890)
<u>6,482</u>	<b>Retained profit for the year</b>		<u>6,843</u>
<u>72,883</u>	<b>Retained profit brought forward</b>		<u>79,365</u>
<u><u>79,365</u></u>	<b>Retained profit carried forward</b>		<u><u>86,208</u></u>

The notes on pages 5 to 6 form an integral part of these financial statements.

**NEGALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

**1. Accounting Policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention subject to the revaluation of investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

**1.3. Investments**

Investment property is shown at the director's valuation of £50,000. The valuation is based on annual rental value and is not considered to exceed open market value. In accordance with S.S.A.P 19 no depreciation is provided in respect of the investment property.

Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the director's believe that this policy of not providing depreciation or amortisation is necessary in order for the accounts to give a true and fair view , since the current value of investment properties , and changes in that current value , are of prime importance rather than a calculation of systematic annual depreciation. Depreciation or amortisation is only one of the many factors reflected in the annual valuation, and the amounts which might otherwise have been shown cannot be seperately identified or quantified.

**2. Turnover**

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

**3. Debtors**

	<b><u>2005</u></b>	<b><u>2004</u></b>
	<b>£</b>	<b>£</b>
Amount owed by partnership	40,000	40,000
Other debtors	5,000	5,000
	<u>45,000</u>	<u>45,000</u>



**NEGALE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

<b>4. Creditors : Amounts falling due within one year</b>	<b><u>2005</u></b>	<b><u>2004</u></b>
	<b>£</b>	<b>£</b>
Corporation tax	1,889	1,736
Director's accounts	671	17
Accruals and deferred income	700	700
	<u>3,260</u>	<u>2,453</u>
<b>5. Share capital</b>	<b><u>2005</u></b>	<b><u>2004</u></b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
<b>6. Taxation</b>	<b><u>2005</u></b>	<b><u>2004</u></b>
	<b>£</b>	<b>£</b>
<b>UK current year taxation</b>		
UK Corporation Tax	<u>1,890</u>	<u>1,736</u>

**7. Related party transactions**

Rent of £5,000 (2004 £5,000) was charged to a farming partnership owned by the director, J.C. Short. This amount was outstanding at 30th April 2005 and is included within other debtors. No management fees were charged in the year (2004 Nil).

The company made a loan of £40,000 during the year ended 30th April 2000 to this farming partnership at a rate of interest of 7% per annum. This loan is repayable on demand and is shown under debtors note 3.

**8. Ultimate controlling party**

The company is controlled by the director J.C. Short by virtue of his controlling share holding.