

DALMONACH PROPERTIES LIMITED
REGISTERED AT COMPANIES HOUSE, EDINBURGH
REGISTERED NUMBER 163151

REPORT AND NINTH ANNUAL ACCOUNTS
for the year ended 28th February 2006



Dalmonach Properties Limited

DIRECTORS' REPORT for the year ended 28th February 2006

The directors submit their tenth annual report and accounts for the company for the year ended 28th February 2006.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year remains as previous years being the maintenance and letting of property. No additional purchases have been made over the period of these accounts although borrowings have been increased but where the asset value remains in excess of the borrowings. The majority of the properties are currently let but some bad debt may be incurred.

DIRECTORS AND THEIR INTERESTS

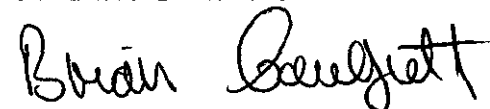
The directors at the balance sheet date and their direct or indirect interests in the company at that date and at the beginning of the year (or on appointment if later) were as follows:

	Ordinary shares of £1 each	
	2006	2005
B P Caulfield	45	45
R N Schooling	45	45
J M Caulfield	5	5
P A Schooling	5	5
The Caulfield Trust	22,500	22,500
The Schooling Trust	<u>7,500</u>	<u>7,500</u>
	30,100	30,100

SMALL COMPANY EXEMPTIONS

This report has been prepared taking advantage of the exemptions conferred by Part II of Schedule 8 of the Companies Act 1985 et seq. on the grounds that in the opinion of the directors the company is entitled to these exemptions as a small company.

ON BEHALF OF THE BOARD



Brian Caulfield
Managing Director

8th December 2006

Dalmonach Properties Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES **for the year ended 28th February 2006**

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 the 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 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 to enable them to ensure that the financial statements comply with the relevant Companies Acts

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

REPORT TO THE SHAREHOLDERS ON THE UNAUDITED ACCOUNTS OF **Dalmonach Properties Limited**

The accounts for the year ended 28th February 2006 are set out on pages 3 to 7. These accounts have been prepared from the accounting records and from information collected for this purpose to represent a true and fair view of the affairs of the company this remaining the sole responsibility of the directors of the company

To comply with the directors' responsibilities, the accounts have been prepared on a consistent approach in line with company accounting policy from a set of accounting records which are held for auditing purpose and wherein any and all judgements and estimates made on the basis of these records are the sole responsibility of the directors of the company

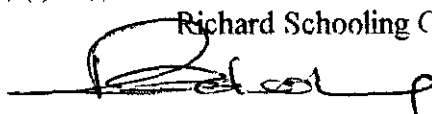
It is the opinion of the directors of the company that

the accounts are in agreement with those accounting records kept by the company under section 221 of the Companies Act 1985

having regard to and on the basis of the information contained on those accounting records

- 1) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(b) of the Act and
- 2) the company satisfied the conditions for the exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not at any time within the year specified, fall within any of the categories of companies not entitled to exemption specified in section 249B(1) (a) to (f)

Richard Schooling CDipAF



Dalmonach Properties Limited

TENTH ANNUAL PROFIT AND LOSS ACCOUNT
for the year ended 28th February 2006

	Note	2006 £ Continuing operations	2005 £
TURNOVER	2	18,437.51	19,551 42
Cost of sales		<u>nil</u>	<u>nil</u>
GROSS PROFIT		18,437.51	19,551 42
Net operating expenses	3	47,601.53	19,802.97
OPERATING PROFIT/(LOSS)		(27,425.93)	(251 55)
Interest receivable and similar income		114.96	107.05
Interest payable and similar expenditure		2,867.98	3,529.18
PROFIT/LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(27,425.93)	(251.55)
Profit/Loss brought forward		<u>(1,071.00)</u>	<u>(819 45)</u>
PROFIT/(LOSS) CARRIED FORWARD		(28,496.93)	(1,071.00)

Statement of total recognised gains and losses
for the year ended 28th February 2005

The loss of £27,425.93 comprised the whole of the company's recognised gains or losses for the year

The appended notes form part of these accounts.

Dalmonach Properties Limited

TENTH ANNUAL BALANCE SHEET **for the year ended 28th February 2006**

	Notes	2006 £	2005 £
FIXED ASSETS	4		
Tangible assets		148,000.00	148,000 00
CURRENT ASSETS	5		
Debtors		700.75	502.75
Cash at bank or in hand		<u>(27,425.93)</u>	<u>1 738 09</u>
		(26,725.18)	2,240 84
CREDITORS:	6		
Amounts falling due within one year		15,500.00	15,000 00
Term Loans		30,400.00	40,087.09
Director's Loans	7	<u>24,800.00</u>	<u>57,800 00</u>
NET CURRENT LIABILITIES		(70,700.00)	<u>(109,700.86)</u>
NET ASSETS		50,574.82	37,353.75
CAPITAL AND RESERVES			
Called up share capital	8	30,100.00	30,100 00
Reserves	9	48,971.75	8,324 75
Profit and Loss account		<u>(28,496.93)</u>	<u>(1,071 00)</u>
		50,574.82	37,353 75

The directors are satisfied that the company was entitled to exemption under Subsection (1) of Section 249A of the Companies Act 1985 and that no member or members requested an audit pursuant to subsection (2) of Section 249B in relation to the accounts for the financial year.

The directors acknowledge their responsibilities for: (i) ensuring that the company keeps accounting records which comply with Section 221; and (ii) preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The directors have taken advantage of the exemptions conferred by Part 1 of Schedule 8 of the Companies Act 1985 and have done so wherein the company is entitled to these special exemptions as a small company.

These accounts were approved by the Board of Directors on 9th December 2006 and signed on its behalf by:

Brian Caulfield
Director



Dalmonach Properties Limited

NOTES TO THE ACCOUNTS for the year ended 28th February 2006

1 ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below and have been consistently applied therein

Basis of preparation of accounts

The accounts have been prepared under the historical cost convention

Depreciation

Depreciation where applicable has been computed to write off the cost of tangible fixed assets over their expected useful lives using the following rates.

Fixtures and fittings	25% per annum of net book value
Land, buildings and premises	0% per annum of net book value

Deferred taxation

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may crystallise

Loans and leasing

Rentals and repayments payable under operating leases and term loans are charged to the profit and loss account on a straight line basis over a period of the lease or loan.

2. TURNOVER

The company's turnover represents principally the value, excluding value added tax, of rent paid by tenants during the year. All turnover was derived from activities within the UK.

3. OPERATING PROFIT

Operating expenses comprised solely administrative expenses with no charge for any of Auditor's remuneration, hire for lease of plant and machinery, depreciation of owned assets except where stated and includes for bank overdraft and charges, directors loan and term loan repayments

Dalmonach Properties Limited

NOTES TO THE ACCOUNTS

for the year ended 28th February 2006

4. FIXED TANGIBLE ASSETS

	Land and Property £	Fixtures and Fittings £	Total £
<u>Cost/Value:</u>			
At 28th February 2005	148,000.00	nil	148,000.00
Additions	nil	nil	nil
Disposals	<u>nil</u>	<u>nil</u>	<u>nil</u>
<u>Depreciation.</u>			
At 28th February 2005	nil	nil	nil
Charge for year	<u>nil</u>	<u>nil</u>	<u>nil</u>
At 28th February 2006	nil	nil	nil
<u>Net Book Value</u>			
At 28th February 2006	<u>148,000.00</u>	<u>nil</u>	<u>148,000 00</u>

5. DEBTORS

	2006 £	2005 £
Trade debtors	700 75	502 75
Other debtors	<u>nil</u>	<u>nil</u>
	700.75	502 75

6 CREDITORS

	2006 £	2005 £
Bank loans	30,400.00	40 087 09
Trade creditors	nil	nil
Other taxes and security costs	nil	nil
Director's credit accounts	24,800.00	57,800 00
Other creditors	<u>15,500.00</u>	<u>15,000 00</u>
	70,700.00	112,887.09

Note: Potential costs incurred and due within in one year against anticipated sale of part of the properties is included within other creditors heading

NOTES TO THE ACCOUNTS
for the year ended 28th February 2006

	B P	J M	R N	P A
	Caulfield	Caulfield	Schooling	Schooling
	£	£	£	£
Opening balance at 28th February 2005	32,000 00	nil	25,800 00	nil
Additions during year	nil	nil	nil	nil
Repaid during year	<u>33,000.00</u>	<u>nil</u>	<u>nil</u>	<u>nil</u>
Account at 28th February 2005	(1,000 00)	nil	25,800 00	nil

	2005	2004
	£	£
Reserve	48,971.75	8,423.75
	£	£
Profit/(loss) carried forward	(28,496.93)	(1,071.00)
Share capital issued	<u>30,100.00</u>	<u>30,100.00</u>
Net change to shareholders funds	1,503.07	29,029.00

Dalmonach Properties Limited

PROFIT COMPUTATION
for the year ended 28th February 2006

	£	£
Profit per accounts		(28,496 93)
Add.		
Depreciation	nil	
Less:		
Bank interest received	114.96	
Adjusted Schedule D Case I Profit		(28,381 97)
Schedule D Case III interest		<u>114 96</u>
Taxable Profit		(28,496 93)
Estimated Corporation Tax due @ 0% per £		<u>nil</u>
Less Capital Allowances		<u>nil</u>
Less total tax paid on bank interest (20%)		22 99