

Registration number 1974178

**Equity Exchange Limited**

**Directors' report and financial statements**

**for the year ended 31 March 2006**



## **Equity Exchange Limited**

### **Company information**

<b>Directors</b>	D I Rapport Mrs L S Rapport M A Rapport O E Rapport
<b>Secretary</b>	Mrs S K Padfield
<b>Company number</b>	1974178
<b>Registered office</b>	The Marcol Suite East Wing, Ivor House Bridge Street Cardiff CF10 2TH
<b>Accountants</b>	West Wake Price & Co 4 Chiswell Street London EC1Y 4UP
<b>Business address</b>	The Marcol Suite East Wing, Ivor House Bridge Street Cardiff CF10 2TH

# **Equity Exchange Limited**

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## Equity Exchange Limited

### Directors' report for the year ended 31 March 2006

The directors present their report and the financial statements for the year ended 31 March 2006.

#### Principal activity

The principal activity of the company was that of a finance company and there was no significant change therein during the year.

#### Directors and their interests

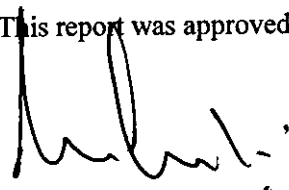
The directors who served during the year and their interests in the company are as stated below:

	Class of share	31/03/06	01/04/05 or date of appointment
D I Rapport	Ordinary shares	52	52
Mrs L S Rapport	Ordinary shares	-	-
M A Rapport (appointed 8 Jun 2005)	Ordinary shares	24	24
O E Rapport (appointed 2 Mar 2006)	Ordinary shares	24	24

In accordance with the Articles of Association, no director is due for retirement by rotation.

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 24 November 2006 and signed on its behalf by



**D I Rapport**  
Director

# Equity Exchange Limited

## Profit and loss account for the year ended 31 March 2006

		2006	2005
	Notes	£	£
<b>Turnover</b>	<b>2</b>	84,030	81,656
Administrative expenses		(23,649)	(20,485)
<b>Operating profit</b>	<b>3</b>	<u>60,381</u>	<u>61,171</u>
Interest payable and similar charges		(67,321)	(62,033)
<b>Retained (loss) for the year</b>		<u>(6,940)</u>	<u>(862)</u>
Retained profit brought forward		13,394	14,256
<b>Retained profit carried forward</b>		<u><u>6,454</u></u>	<u><u>13,394</u></u>

The notes on pages 5 to 8 form an integral part of these financial statements.

# Equity Exchange Limited

## Balance sheet as at 31 March 2006

		2006		2005	
	Notes	£	£	£	£
<b>Current assets</b>					
Debtors	5	1,375,925		1,360,308	
		<u>1,375,925</u>		<u>1,360,308</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(1,369,371)</u>		<u>(1,346,814)</u>	
<b>Net current assets</b>			6,554		13,494
<b>Net assets</b>			<u>6,554</u>		<u>13,494</u>
<b>Capital and reserves</b>					
Called up share capital	7		100		100
Profit and loss account			6,454		13,394
<b>Shareholders' funds</b>			<u>6,554</u>		<u>13,494</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 5 to 8 form an integral part of these financial statements.

**Equity Exchange Limited**

**Balance sheet (continued)**

**Directors' statements required by Section 249B(4)  
for the year ended 31 March 2006**

In approving these financial statements as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2006 and

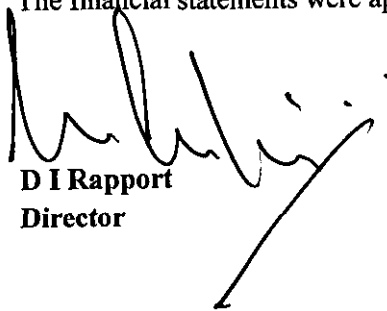
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2005) relating to small companies.

The financial statements were approved by the Board on 24 November 2006 and signed on its behalf by



**D I Rapport**  
**Director**

**The notes on pages 5 to 8 form an integral part of these financial statements.**

## Equity Exchange Limited

### Notes to the financial statements for the year ended 31 March 2006

#### 1. Accounting policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

##### 1.2. Changes in accounting policy

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

-Financial Reporting Standard for Smaller Entities (effective January 2005);

Financial instruments

The ordinary shares have been classified as equity shares.

This represents a change in accounting policy and the comparative figures (where applicable) have been restated accordingly.

##### 1.3. Turnover

Turnover represents the finance charges receivable.

##### 1.4. Financial instruments

Financial instruments are classified and accounted for, according to the substance of contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### 2. Turnover

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

#### 3. Operating profit

Operating profit is stated after charging:  
Auditors' remuneration

2006	2005
£	£
-	1,986
<u>          </u>	<u>          </u>

#### 4. Directors' emoluments

Remuneration and other benefits

2006	2005
£	£
14,312	11,000
<u>          </u>	<u>          </u>



# Equity Exchange Limited

## Notes to the financial statements for the year ended 31 March 2006

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5. Debtors	2006 £	2005 £
Trade debtors	489,982	540,982
Other debtors	801,913	737,670
Prepayments and accrued income	84,030	81,656
	<u>1,375,925</u>	<u>1,360,308</u>
6. Creditors: amounts falling due within one year	2006 £	2005 £
Bank overdraft	37,603	48,916
Trade creditors	1,236,645	1,188,545
Other taxes and social security costs	17,173	39,100
Accruals and deferred income	77,950	70,253
	<u>1,369,371</u>	<u>1,346,814</u>
7. Share capital	2006 £	2005 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Equity Shares</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

# Equity Exchange Limited

## Notes to the financial statements for the year ended 31 March 2006

..... continued

### 8. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum in year
	2006	2005	
	£	£	£
D I Rapport	<u>641,530</u>	<u>594,930</u>	<u>641,530</u>

Mr D I Rapport has given a personal guarantee for £250,000 as security for the bank facilities granted to the company.

During the year the net increase in Mr D I Rapport's loan from the company was £46,600 (2005: £153,030) and interest is payable at the rate of 5.00% (2005: 5.00%) per annum.

### 9. Controlling interest

The company was under the control, throughout the current and previous year, of Mr D I Rapport, a director. As disclosed in the Directors' report, Mr D I Rapport is personally interested in 52% of the company's issued share capital. In addition, his sons, control in aggregate, a further 48% (2005: 48%) of the company's issued share capital.

# Equity Exchange Limited

## Notes to the financial statements for the year ended 31 March 2006

..... continued

### 10. Related party transactions

Transactions, during the year, with related parties are as follows:

<u>Related Party</u>	<u>(Payable)/Receivable</u>		<u>Balance at year end</u>		<u>Relationship</u>
	2006	2005	2006	2005	
	£	£	£	£	
<b>Loan Interest</b>					
Great Eastern Finance Company Ltd	(15,537)	(15,084)	(312,987)	(310,534)	Controlled by Mr D I Rapport
Ivor Holdings Ltd	(26,262)	(25,386)	(539,877)	(497,901)	Controlled by Mr D I Rapport
Bridge Street Cardiff Properties Ltd	(9,793)	(7,314)	(199,173)	(191,694)	Controlled by Mr D I Rapport
M A Rapport & Co. Ltd	(12,176)	(10,231)	(248,376)	(246,431)	Controlled by Mr D I Rapport
	<u>(63,768)</u>	<u>(58,015)</u>	<u>(1,300,413)</u>	<u>(1,246,560)</u>	
Shawgate Ltd	19,166	18,376	187,796	209,006	Controlled by Mr D I Rapport
Denstream Ltd	9,260	10,082	99,961	105,783	Controlled by Mr D I Rapport
South Glamorgan Estates Ltd	17,712	16,067	204,012	175,867	Controlled by Mr D I Rapport
Edmee Properties Ltd	3,359	3,956	34,210	40,307	Controlled by Mr D I Rapport
D I Rapport	31,939	26,456	673,469	621,386	Director
Marcol Asset Management Ltd	100	2,200	100	24,200	Controlled by Mr D I Rapport
Rappsons Trust Ltd	1,355	1,350	14,855	14,850	Controlled by Mr D I Rapport
Marcol Securities Ltd	-	862	-	1,862	Controlled by Mr D I Rapport
Town & Country Sites Ltd	1,139	2,307	1,139	24,307	Controlled by Mr D I Rapport
	<u>84,030</u>	<u>81,656</u>	<u>1,215,542</u>	<u>1,217,568</u>	
<b>Administrative Expenses</b>					
M A Rapport & Co. Ltd	(2,257)	(2,237)	(2,257)	(2,237)	Controlled by Mr D I Rapport