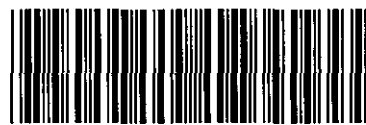

LAKESIDE PROPERTY INVESTMENT LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2006

THURSDAY



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COMPANIES HOUSE

LAKESIDE PROPERTY INVESTMENT LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| DIRECTORS | M P Stevens G R Spiller |
| SECRETARY | R S Fletcher |
| COMPANY NUMBER | 03445356 |
| REGISTERED OFFICE | 56 Longbridge Road Barking Essex IG11 8RW |
| ACCOUNTANTS | Barnes Roffe LLP Chartered Accountants Leytonstone House Leytonstone London E11 1HR |

LAKESIDE PROPERTY INVESTMENT 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 during the year continued to be that of the development of real estate.

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

| | Ordinary shares of £1 each | |
|-------------|---------------------------------------|---------------|
| | <u>31/3/06</u> | <u>1/4/05</u> |
| M P Stevens | - | - |
| G R Spiller | - | - |

ADDITIONAL INFORMATION RE DIRECTORS

M P Stevens and G R Spiller are beneficially entitled to 21.43% and 22.57% respectively of the issued share capital.

The report of the directors has been 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 12th January 2007

and signed on its behalf.



G R Spiller
Director

LAKESIDE PROPERTY INVESTMENT LIMITED**PROFIT AND LOSS ACCOUNT**
For the year ended 31 March 2006

| | Note | 2006 £ | 2005 £ |
|--|------|-----------------|----------------|
| TURNOVER | 1 | 17,486 | 16,652 |
| Administrative expenses | | (6,999) | (4,646) |
| OPERATING PROFIT | 2 | 10,487 | 12,006 |
| Interest receivable and similar income | | 211 | 274 |
| Interest payable and similar charges | | - | (1,085) |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 10,698 | 11,195 |
| TAXATION ON PROFIT ON ORDINARY ACTIVITIES | 3 | (2,033) | - |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 8,665 | 11,195 |
| RETAINED PROFIT/(LOSS) BROUGHT FORWARD | | 6,867 | (4,328) |
| RETAINED PROFIT CARRIED FORWARD | | <u>£ 15,532</u> | <u>£ 6,867</u> |

The notes on pages 4 to 5 form part of these financial statements.

LAKESIDE PROPERTY INVESTMENT LIMITED

BALANCE SHEET
As at 31 March 2006

| | Note | £ | 2006 | £ | £ | 2005 | £ |
|---|------|---|----------------|-----------------|---|----------------|----------------|
| CURRENT ASSETS | | | | | | | |
| Stocks | | | 228,098 | | | 213,848 | |
| Debtors | 4 | | 102 | | | 2,105 | |
| Cash at bank | | | 12,939 | | | 1,102 | |
| | | | <u>241,139</u> | | | <u>217,055</u> | |
| CREDITORS: amounts falling due within one year | | | | | | | |
| | 5 | | (225,507) | | | (210,088) | |
| NET CURRENT ASSETS | | | | <u>15,632</u> | | | <u>6,967</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | <u>£ 15,632</u> | | | <u>£ 6,967</u> |
| CAPITAL AND RESERVES | | | | | | | |
| Called up share capital | 6 | | | 100 | | | 100 |
| Profit and loss account | | | | 15,532 | | | 6,867 |
| SHAREHOLDERS' FUNDS | | | | <u>£ 15,632</u> | | | <u>£ 6,967</u> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2006 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

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

The financial statements were approved by the board on 12th January 2007 and signed on its behalf.


G R Spiller
Director

The notes on pages 4 to 5 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2006

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of value added tax.

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost consists of land and direct materials, labour and attributable overheads. Net realisable value is based on estimated selling price, less any further costs of realisation.

2. OPERATING PROFIT

During the year, no director received any emoluments (2005 - £nil).

3. TAXATION

| | 2006 | 2005 |
|--|---------|------|
| | £ | £ |
| UK corporation tax charge on profits of the year | £ 2,033 | £ - |

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK applicable to the company.

There were no factors that may affect future tax charges.

4. DEBTORS

| | 2006 | 2005 |
|-------------|-------|---------|
| | £ | £ |
| Prepayments | £ 102 | £ 2,105 |

LAKESIDE PROPERTY INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2006

5. CREDITORS: Amounts falling due within one year

| | 2006 £ | 2005 £ |
|---------------------------------|------------------|------------------|
| Corporation tax | 2,033 | - |
| Social security and other taxes | - | 98 |
| Other creditors | 223,474 | 209,990 |
| | <u>£ 225,507</u> | <u>£ 210,088</u> |

6. SHARE CAPITAL

| | 2006 £ | 2005 £ |
|--|--------------|--------------|
| Authorised, allotted, called up and fully paid | | |
| 100 Ordinary shares of £1 each | <u>£ 100</u> | <u>£ 100</u> |

7. TRANSACTIONS WITH DIRECTORS

Included in other creditors at 31 March 2006 is a loan from the directors G R Spiller £46,607 (2005 - £43,255) and M P Stevens £44,231 (2005 - £41,049).

During the year, the company incurred costs of £1,109 (2005 - £2,834) in relation to services provided by Glenny LLP, a company in which G R Spiller and M P Stevens are both members.

8. RELATED PARTY TRANSACTIONS

Included in other creditors at 31 March 2005 is a loan from P Dawson £39,445 (2005 - £36,607), N C Vivian £39,445 (2005 - £36,607). P Dawson and N C Vivian are members of Glenny LLP.

During the year, the company incurred costs of £1,109 (2005 - £2,834) in relation to services provided by Glenny LLP.