

Registration number 3206607

Bluestone City Limited

Director's report and financial statements

for the year ended 31 July 2004

**Simon Day & Co.
Chartered Accountants**



Bluestone City Limited

Company information

Director	N Anderson
Secretary	J Goldstein
Company number	3206607
Registered office	Cornhill House 59-60 Cornhill London EC3V 3PD
Accountants	Simon Day & Co. Unit 2 Uffcott Farm Uffcott Wiltshire SN4 9NB

Bluestone City Limited

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The following page does not form part of the statutory accounts:

Detailed trading and profit & loss account	Appendix 1
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Bluestone City Limited

**Director's report
for the year ended 31 July 2004**

The director presents his report and the financial statements for the year ended 31 July 2004.

Principal activity

The principal activity of the company is that of recruitment agents.

Director and his interest

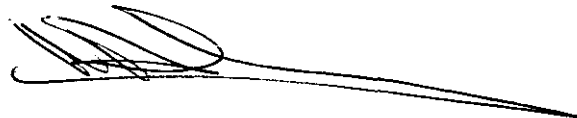
The director who served during the year and his interest in the company are as stated below:

	Ordinary shares	
	31/07/04	01/08/03
N Anderson	66	66

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 *26-5-05* and signed on its behalf by

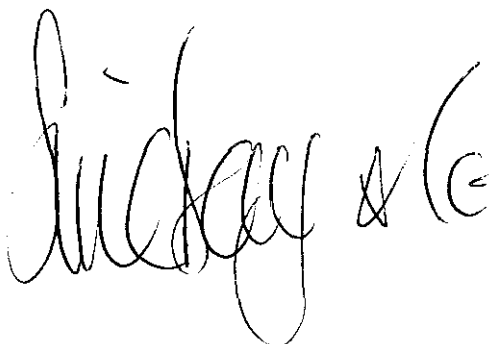
**N Anderson
Director**



Bluestone City Limited

**Accountants' report on the unaudited financial statements to the director of
Bluestone City Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 July 2004 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

A handwritten signature in black ink, appearing to read 'Simon Day & Co.', with a stylized flourish at the end.

Simon Day & Co.

**Unit 2 Uffcott Farm
Uffcott
Wiltshire
SN4 9NB**

Date: 26-5-05

Bluestone City Limited

**Profit and loss account
for the year ended 31 July 2004**

		2004	2003
	Notes	£	£
Turnover	2	89,675	71,204
Administrative expenses		(45,942)	(45,343)
Operating profit	3	43,733	25,861
Other interest receivable and similar income		41	1,000
Interest payable and similar charges		(30)	-
Profit on ordinary activities before taxation		43,744	26,861
Tax on profit on ordinary activities	5	(6,974)	(3,741)
Profit on ordinary activities after taxation		36,770	23,120
Dividends		(30,000)	(24,000)
Retained profit/(loss) for the year		6,770	(880)
Retained profit brought forward		4,847	5,727
Retained profit carried forward		11,617	4,847

The notes on pages 6 to 9 form an integral part of these financial statements.

Bluestone City Limited

**Balance sheet
as at 31 July 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		2,842		2,820
Current assets					
Debtors	7	25,509		19,796	
Cash at bank and in hand		19,242		14	
		<u>44,751</u>		<u>19,810</u>	
Creditors: amounts falling due within one year	8	<u>(35,795)</u>		<u>(17,684)</u>	
Net current assets			<u>8,956</u>		<u>2,126</u>
Total assets less current liabilities			<u>11,798</u>		<u>4,946</u>
Provisions for liabilities and charges	9		<u>(82)</u>		<u>-</u>
Net assets			<u><u>11,716</u></u>		<u><u>4,946</u></u>
Capital and reserves					
Called up share capital	11		99		99
Profit and loss account			<u>11,617</u>		<u>4,847</u>
Shareholders' funds			<u><u>11,716</u></u>		<u><u>4,946</u></u>

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

The notes on pages 6 to 9 form an integral part of these financial statements.

Bluestone City Limited

Balance sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31 July 2004**

In approving these financial statements as director of the company I 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 July 2004 and

(c) that I acknowledge my 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 financial statements are 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 June 2002).

The financial statements were approved by the Board on 26-5-05 and signed on its behalf by

N Anderson
Director



The notes on pages 6 to 9 form an integral part of these financial statements.

Bluestone City Limited

Notes to the financial statements for the year ended 31 July 2004

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention 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. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	- 25% reducing balance
Fixtures, fittings and equipment	- 25% reducing balance

1.4. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Turnover

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

Bluestone City Limited

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

3. Operating profit	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	948	941
	<u>948</u>	<u>941</u>
 4. Director's emoluments		
	2004	2003
	£	£
Remuneration and other benefits	10,161	6,552
	<u>10,161</u>	<u>6,552</u>
 5. Tax on profit on ordinary activities		
Analysis of charge in period	2004	2003
	£	£
Current tax		
UK corporation tax	8,128	4,577
Adjustments in respect of previous periods	(1,236)	(836)
	<u>6,892</u>	<u>3,741</u>
Total current tax charge	<u>6,892</u>	<u>3,741</u>
Deferred tax		
Timing differences, origination and reversal	82	-
Total deferred tax	<u>82</u>	<u>-</u>
Tax on profit on ordinary activities	<u>6,974</u>	<u>3,741</u>

Bluestone City Limited

Notes to the financial statements for the year ended 31 July 2004

..... continued

6. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 August 2003	4,726	4,621	9,347
Additions	-	970	970
At 31 July 2004	<u>4,726</u>	<u>5,591</u>	<u>10,317</u>
Depreciation			
At 1 August 2003	3,360	3,167	6,527
Charge for the year	342	606	948
At 31 July 2004	<u>3,702</u>	<u>3,773</u>	<u>7,475</u>
Net book values			
At 31 July 2004	<u>1,024</u>	<u>1,818</u>	<u>2,842</u>
At 31 July 2003	<u>1,366</u>	<u>1,454</u>	<u>2,820</u>

7. Debtors	2004 £	2003 £
Trade debtors	23,500	17,552
Prepayments and accrued income	2,009	2,244
	<u>25,509</u>	<u>19,796</u>

8. Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft	-	3,703
Corporation tax	8,128	8,349
Other taxes and social security costs	6,828	2,606
Director's accounts	19,414	1,826
Accruals and deferred income	1,425	1,200
	<u>35,795</u>	<u>17,684</u>

Bluestone City Limited

**Notes to the financial statements
for the year ended 31 July 2004**

..... continued

9. Provisions for liabilities and charges

	Deferred taxation (Note 10) £	Total £
Movements in the year	82	82
At 31 July 2004	<u>82</u>	<u>82</u>

10. Provision for deferred taxation

	2004 £	2003 £
Accelerated capital allowances	<u>82</u>	<u>-</u>
Deferred tax charge in profit and loss account	<u>82</u>	
Provision at 31 July 2004	<u>82</u>	

11. Share capital

	2004 £	2003 £
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
99 Ordinary shares of £1 each	<u>99</u>	<u>99</u>