

**EAKIN MACDONALD & ASSOCIATES LIMITED**

**REPORT AND ACCOUNTS**

**31<sup>st</sup> DECEMBER 2005**



**FINLEY & PARTNERS**  
Chartered Accountants  
Tubs Hill House  
London Road  
Sevenoaks, Kent

# **EAKIN MACDONALD & ASSOCIATES LIMITED**

## **REPORT OF THE DIRECTORS**

The directors present their report and audited accounts for the year ended 31<sup>st</sup> December 2005.

### **ACTIVITIES**

The principal activity of the company is the provision of money broking services to the hotel and leisure industry.

### **DIRECTORS AND THEIR INTERESTS**

The directors who held office during the year and their beneficial interests in the share capital of the company were as follows:

**Ordinary shares of £1 each**  
**At 31<sup>st</sup> December 2005 and 1<sup>st</sup> January 2005**

|                                                   |   |
|---------------------------------------------------|---|
| K R Eakin                                         | 1 |
| S C Macdonald                                     | 1 |
| P A Cook (appointed 4 <sup>th</sup> January 2005) | - |

### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its result for that year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates which are reasonable and prudent,
- prepare the accounts 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 accounts comply with the Companies Act 1985. 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.

**EAKIN MACDONALD & ASSOCIATES LIMITED**

**REPORT OF THE DIRECTORS**

**(Continued)**

**STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

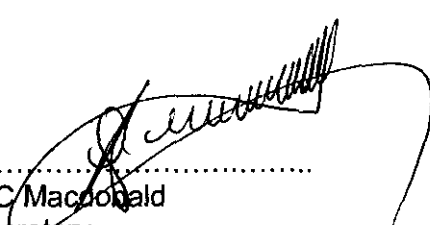
- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

A resolution proposing the reappointment of the auditors Finley & Partners, will be submitted to the shareholders at the annual general meeting.

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the Board



.....  
S C Macdonald  
Secretary

7<sup>th</sup> August 2006

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF  
EAKIN MACDONALD & ASSOCIATES LIMITED**

We have audited the financial statements of Eakin Macdonald & Associates Limited for the year ended 31<sup>st</sup> December 2005 which comprise the Profit and Loss Account, Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

## EAKIN MACDONALD & ASSOCIATES LIMITED

(Continued)

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31<sup>st</sup> December 2005 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



FINLEY & PARTNERS  
Registered Auditor  
Chartered Accountants  
Sevenoaks, Kent.

7<sup>th</sup> August 2006

**EAKIN MACDONALD & ASSOCIATES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2005**

|                                                          | <b>Notes</b> | <b>2005<br/>£</b> | <b>2004<br/>£</b> |
|----------------------------------------------------------|--------------|-------------------|-------------------|
| <b>TURNOVER</b>                                          |              | 781,572           | 647,484           |
| Administrative expenses                                  |              | 696,781           | 565,984           |
|                                                          |              | <hr/>             | <hr/>             |
| <b>OPERATING PROFIT</b>                                  | <b>2</b>     | 84,791            | 81,500            |
| Bank interest received                                   |              | 6,643             | 3,324             |
|                                                          |              | <hr/>             | <hr/>             |
|                                                          |              | 91,434            | 84,824            |
| Interest paid                                            |              | 2,137             | 3,647             |
|                                                          |              | <hr/>             | <hr/>             |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |              | 89,297            | 81,177            |
| Taxation                                                 | <b>4</b>     | 20,836            | 20,431            |
|                                                          |              | <hr/>             | <hr/>             |
| <b>RETAINED PROFIT FOR THE FINANCIAL YEAR</b>            | <b>9</b>     | <b>£ 68,461</b>   | <b>60,746</b>     |
|                                                          |              | <hr/>             | <hr/>             |

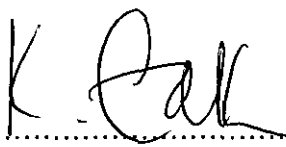
# EAKIN MACDONALD & ASSOCIATES LIMITED

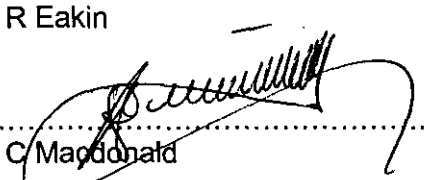
## BALANCE SHEET

AT 31<sup>st</sup> DECEMBER 2005

|                                                          | Notes | £       | 2005<br>£ | £       | 2004<br>£ |
|----------------------------------------------------------|-------|---------|-----------|---------|-----------|
| <b>TANGIBLE FIXED ASSETS</b>                             | 5     |         | 91,189    |         | 63,475    |
| <b>CURRENT ASSETS</b>                                    |       |         |           |         |           |
| Debtors                                                  | 6     | 56,068  |           | 67,982  |           |
| Cash at bank                                             |       | 291,960 |           | 206,980 |           |
|                                                          |       |         |           |         |           |
|                                                          |       | 348,028 |           | 274,962 |           |
| <b>CREDITORS:</b> amounts falling due<br>within one year | 7     | 72,710  |           | 40,391  |           |
|                                                          |       |         |           |         |           |
| <b>NET CURRENT ASSETS</b>                                |       |         | 275,318   |         | 234,571   |
|                                                          |       |         |           |         |           |
| <b>TOTAL NET ASSETS</b>                                  |       |         | £ 366,507 |         | £ 298,046 |
|                                                          |       |         |           |         |           |
| <b>CAPITAL AND RESERVES</b>                              |       |         |           |         |           |
| Called up share capital                                  | 8     |         | 2         |         | 2         |
| Profit and loss account                                  | 9     |         | 366,505   |         | 298,044   |
|                                                          |       |         |           |         |           |
| Shareholders' funds                                      |       |         | £ 366,507 |         | £ 298,046 |

The accounts 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).

  
 .....  
 K R Eakin

  
 .....  
 S C Macdonald

)  
 ) Directors  
 )  
 )

Authorised for issue: 7<sup>th</sup> August 2006

# EAKIN MACDONALD & ASSOCIATES LIMITED

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### Basis of accounting

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).

#### Turnover

Turnover comprises the invoice value of services supplied by the company and commissions earned.

#### Depreciation

Depreciation is provided on all tangible fixed assets at a rates calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life, as follows:

|                                |   |               |
|--------------------------------|---|---------------|
| Motor vehicles                 | - | over 4 years  |
| Office furniture and equipment | - | 25% per annum |

### 2. OPERATING PROFIT

Operating profit, arising on ordinary activities, is stated after charging:

|                                                  | 2005<br>£ | 2004<br>£ |
|--------------------------------------------------|-----------|-----------|
| Directors remuneration and pension contributions | 442,100   | 328,600   |
| Auditors remuneration                            | 4,000     | 4,000     |
| Depreciation                                     | 32,409    | 27,835    |
|                                                  | <hr/>     | <hr/>     |

### 3. PENSION SCHEMES

The company makes contributions to the Eakin Macdonald & Associates Limited Executive Pension Investment Plan in respect of 2 directors. Contributions in the year amounted to £106,100 (2004: £56,100).

### 4. TAXATION

|                                      | 2005<br>£ | 2004<br>£ |
|--------------------------------------|-----------|-----------|
| UK Corporation Tax at current rates  | 20,833    | 20,312    |
| Adjustment in respect of prior years | 3         | 119       |
|                                      | <hr/>     | <hr/>     |
|                                      | £ 20,836  | £ 20,431  |
|                                      | <hr/>     | <hr/>     |

**EAKIN MACDONALD & ASSOCIATES LIMITED**

**NOTES TO THE ACCOUNTS**

(Continued)

**5. TANGIBLE FIXED ASSETS**

|                                   | <b>Motor<br/>Vehicles</b> | <b>Office<br/>Furniture &amp;<br/>Equipment</b> | <b>Total</b> |
|-----------------------------------|---------------------------|-------------------------------------------------|--------------|
|                                   | £                         | £                                               | £            |
| Cost:                             |                           |                                                 |              |
| At 1 <sup>st</sup> January 2005   | 104,262                   | 11,039                                          | 115,301      |
| Additions                         | 89,604                    | 11,594                                          | 101,198      |
| Disposals                         | ( 80,068)                 | ( 2,467)                                        | ( 82,535)    |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |
| At 31 <sup>st</sup> December 2005 | 113,798                   | 20,166                                          | 133,964      |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |
| Depreciation:                     |                           |                                                 |              |
| At 1 <sup>st</sup> January 2005   | 46,082                    | 5,744                                           | 51,826       |
| Charge for the year               | 28,448                    | 3,961                                           | 32,409       |
| Released on disposal              | ( 40,034)                 | ( 1,426)                                        | ( 41,460)    |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |
| At 31 <sup>st</sup> December 2005 | 34,496                    | 8,279                                           | 42,775       |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |
| Net book value:                   |                           |                                                 |              |
| At 31 <sup>st</sup> December 2005 | £ 79,302                  | £ 11,887                                        | £ 91,189     |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |
| At 31 <sup>st</sup> December 2004 | £ 58,180                  | £ 5,295                                         | £ 63,475     |
|                                   | <hr/>                     | <hr/>                                           | <hr/>        |

**6. DEBTORS**

|               | <b>2005</b> | <b>2004</b> |
|---------------|-------------|-------------|
|               | £           | £           |
| Trade debtors | 32,089      | 42,883      |
| Prepayments   | 23,979      | 25,099      |
|               | <hr/>       | <hr/>       |
|               | £ 56,068    | £ 67,982    |
|               | <hr/>       | <hr/>       |

# EAKIN MACDONALD & ASSOCIATES LIMITED

## NOTES TO THE ACCOUNTS

(Continued)

**7. CREDITORS:** amounts falling due within one year

|                                 | 2005<br>£ | 2004<br>£ |
|---------------------------------|-----------|-----------|
| Trade creditors                 | 27,669    | 9,974     |
| Corporation tax payable         | 20,833    | 20,312    |
| Other taxes and social security | 10,925    | 4,188     |
| Accruals                        | 13,092    | 5,726     |
| Other creditors                 | 191       | 191       |
|                                 | <hr/>     | <hr/>     |
|                                 | £ 72,710  | £ 40,391  |
|                                 | <hr/>     | <hr/>     |

**8. SHARE CAPITAL**

|                                                                 | 2005     | 2004     |
|-----------------------------------------------------------------|----------|----------|
| Authorised<br>10,000 Ordinary shares of £1 each                 | £ 10,000 | £ 10,000 |
|                                                                 | <hr/>    | <hr/>    |
| Allotted, issued and fully paid<br>2 Ordinary shares of £1 each | £ 2      | £ 2      |
|                                                                 | <hr/>    | <hr/>    |

**9. PROFIT AND LOSS ACCOUNT**

|                                        | 2005<br>£ | 2004<br>£ |
|----------------------------------------|-----------|-----------|
| At 1 <sup>st</sup> January 2005        | 298,044   | 237,298   |
| Retained profit for the financial year | 68,461    | 60,746    |
|                                        | <hr/>     | <hr/>     |
| At 31 <sup>st</sup> December 2005      | £ 366,505 | £ 298,044 |
|                                        | <hr/>     | <hr/>     |

**10. RELATED PARTY DISCLOSURES**

The company is controlled by Messrs. K.R. Eakin and S.C. Macdonald.

The company occupies premises owned by the Eakin Macdonald & Associates Limited Executive Pension Investment Plan. The company pays rent at the rate of £18,500 per annum and the lease is for a term of 20 years commencing 10<sup>th</sup> June 2005.

**11. OPERATING LEASE COMMITMENT**

The company has an annual commitment of £18,500 in respect of rent payable on its business premises.