

REALLING LIMITED

DIRECTORS REPORT FOR YEAR TO 31st JULY 2005

The directors submit their report and accounts for the year to 31st July 2005

RESULTS AND DIVIDENDS

The results for the year are set out in the profit and loss account on page 2. The directors do not propose the payment of a dividend.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Joint Venture with Symington Mackell continues to progress no additions to the portfolio were made during the year.

As before, properties and mortgages are shared equally, Realling receiving interest on deposits and Symington Mackell commission on the letting income. The Joint Venture still accounts for all costs, any surplus being shared equally on distribution.

DIRECTORS

The directors at 30th September and their beneficial interest in the share capital of the company were as follows :-

Mrs A.C.Weir	one	£1 Ordinary Share
Mr I.S.Weir	one	£1 Ordinary Share

CLOSE COMPANY

The close company provisions of the Income and Corporation Taxes Act 1988 apply to the company.

By order of the Board

Dated :

11/1/06



Director



REALLING LIMITED

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PROFIT & LOSS ACCOUNT, YEAR TO 31st JULY 2005

	<u>2005</u>	<u>2004</u>
	<u>£</u>	<u>£</u>
INCOME FROM INVESTMENTS	0	0
OTHER INCOME AND INTEREST	2,308	2,309
GROSS REVENUE	2,308	2,309
DEPRECIATION	0	0
ADMINISTRATIVE EXPENSES	2,142	2,312
OPERATING PROFIT	167	(3)
INTEREST PAYABLE	0	0
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	167	(3)
DIVIDEND ON ORDINARY SHARES	0	0
RETAINED PROFIT FOR THE YEAR	<u>167</u>	<u>(3)</u>

There were no other gains or losses for the year other than those included in the revenue account.

REALLING LIMITED**BALANCE SHEET AS AT 31st JULY 2005**

		<u>2005</u>	<u>2004</u>
		<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible Assets	Note 2.	100,007	100,007
CURRENT ASSETS			
Debtors	Note 3.	14,703	19,803
Bank	Note 4.	751	1,410
		<u>15,454</u>	<u>21,213</u>
CURRENT LIABILITIES			
Creditors	Note 5.	35,443	41,369
Bank Loan		80,100	80,100
		<u>115,543</u>	<u>121,469</u>
NET CURRENT ASSETS		<u>(100,089)</u>	<u>(100,256)</u>
NET ASSETS		<u>(82)</u>	<u>(249)</u>
CAPITAL & RESERVES			
Share Capital	Note 6.	2	2
Revenue Reserves	Note 7.	(84)	(251)
		<u>(82)</u>	<u>(249)</u>

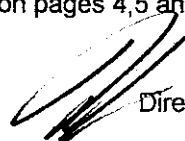
For the year ended 30th September 2005, the company was entitled to exemption under section 249A(1) of the Companies Act 1985.

No notice from members requiring an audit has been deposited under section 249B(2).

The directors acknowledge their responsibility for :-

Ensuring the company keeps accounting records which comply with section 221; and
 Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to the accounts, so far as applicable to the company.

The notes on pages 4,5 and form an integral part of the accounts and Balance Sheet.


 Director

Dated: 11/1/06

REALLING LIMITED**NOTES TO THE ACCOUNTS - Year to JULY 2005****Note 1.****ACCOUNTING POLICIES - Basis of preparation of accounts -**

The accounts are prepared under the historical cost convention and are in accordance with applicable accounting standards. They include the results of the company's operations, described in the Directors' Report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Depreciation is provided on all tangible fixed assets on a straight line basis :-

Heritable Properties	2.00 %
Furniture	5.00 %

There are no stocks.

No provision has been made for deferred taxation since, in the opinion of the directors, no liability is likely to arise in the foreseeable future.

Directors' Fees are :-	Mrs A.C.Weir	£1,500
	Mrs C.E.Pomeroy	nil
	Mr I.S.Weir	£300

The directors of the company do not receive any other remuneration.

Note 2.**TANGIBLE FIXED ASSETS - LETTING PROPERTY**

Brought Forward at 1st October 2004	100,007	
Additions during year	0	
Sales during year	0	
	<u>100,007</u>	
Depreciation Brought Forward	0	
Charge for year	0	
(transferred to P&L Account)	<u>0</u>	100,007

- FURNITURE

Brought Forward at 1st October 2004	0	
Additions during year	0	
Sales during year	<u>0</u>	
Depreciation Brought Forward	0	
Charge for year	0	
(transferred to P&L Account)	<u>0</u>	0
	<u>100,007</u>	

REALLING LIMITED**NOTES TO THE ACCOUNTS - Year to JULY 2005**

Note 3.	DEBTORS				
	Sundry Debtors			14,703	
				<u>14,703</u>	
Note 4.	BANK				
	Loan Account			(80,100)	
	Current Account			751	
				<u>(79,349)</u>	
Note 5.	CREDITORS				
	Interest-free Loan from Shareholders			38,452	
	Sundry Creditors			(3,009)	
	Accruals			0	
				<u>35,443</u>	
Note 6.	SHARE CAPITAL				
		2005	Authorised	2004	Issued & Fully Paid
					2005
					2004
	£1 Ordinary Shares	100	100	2	2
Note 7.	RESERVES				
	Profit & Loss Account				
	as at 1st October 2004				(251)
	Retained Profit for the year				167
	as at 30th September 2005				<u>(84)</u>
Note 8.	OPERATING PROFIT				
	This is stated after charging :-				
	Directors' emoluments			Note 1.	1,800
	Tangible Assets depreciation			Note 2.	0
	Auditors' remuneration				0
					<u>1,800</u>
Note 9.	INTEREST PAYABLE				
	Interest was paid to The Royal Bank of Scotland				<u>0</u>
Note 10.	TAXATION				
	In view of the losses, brought forward, no provision is deemed necessary either for corporation or for deferred taxation.				
Note 11.	DIVIDEND				
	No dividend has been declared in view of the losses brought forward from previous years.				