

MELFORD DEVELOPMENTS LTD
ABBREVIATED ACCOUNTS
31 DECEMBER 2005



DBFM
Chartered Accountants
1 St Colme Street
Edinburgh
EH3 6AA

MELFORD DEVELOPMENTS LTD

ABBREVIATED ACCOUNTS

Year Ended 31 December 2005

CONTENTS	PAGE
Accountants' report to the directors	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

MELFORD DEVELOPMENTS LTD

ACCOUNTANTS' REPORT TO THE DIRECTORS OF MELFORD DEVELOPMENTS LTD

Year Ended 31 December 2005

As described on the balance sheet, the directors of the company are responsible for the preparation of the abbreviated accounts for the year ended 31 December 2005, set out on pages 2 to 5

You consider that the company is exempt from an audit under the Companies Act 1985

In accordance with your instructions we have compiled these unaudited abbreviated accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us



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DBFM
Chartered Accountants

30 October 2006

MELFORD DEVELOPMENTS LTD

ABBREVIATED BALANCE SHEET

31 December 2005

	Note	£	2005 £	2004 £
FIXED ASSETS	2			
Tangible assets			82,966	54,036
Investments			151	66
			<u>83,117</u>	<u>54,102</u>
CURRENT ASSETS				
Debtors		516,880		205,450
Cash at bank and in hand		67,551		29,681
		<u>584,431</u>		<u>235,131</u>
CREDITORS: Amounts falling due within one year		<u>305,646</u>		<u>131,492</u>
NET CURRENT ASSETS			<u>278,785</u>	<u>103,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>361,902</u>	<u>157,741</u>
CREDITORS: Amounts falling due after more than one year			<u>17,089</u>	<u>8,872</u>
			<u>344,813</u>	<u>148,869</u>
CAPITAL AND RESERVES				
Called up equity share capital	3		100	100
Profit and loss account			<u>344,713</u>	<u>148,769</u>
SHAREHOLDERS' FUNDS			<u>344,813</u>	<u>148,869</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 30 October 2006 and are signed on their behalf by



MR A PETERS

The notes on page 2 form part of these abbreviated accounts.

MELFORD DEVELOPMENTS LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2005

1. ACCOUNTING POLICIES

1.1 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)

1.2 Changes in accounting policies

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)

There have been no material changes to the accounting policies as a result of adopting the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.3 Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

1.4 Fixed assets

All fixed assets are initially recorded at cost

1.5 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings	10% Straight Line
Motor Vehicles	25% Straight Line
Equipment	20% Straight Line

1.6 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

1.7 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

1.8 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

MELFORD DEVELOPMENTS LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2005

1. ACCOUNTING POLICIES *(continued)*

1.9 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the 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.

1.10 Accounting for income earned from joint ventures

No income is included within the financial statements in connection with fees, due for development and other services provided by Melford Developments Limited to the joint venture companies, until agreement has been reached with the joint venture companies. This agreement will only be given when the funds are available following the completed sale of properties.

2. FIXED ASSETS

	Tangible Assets £	Investments £	Total £
COST			
At 1 January 2005	59,316	66	59,382
Additions	41,592	85	41,677
At 31 December 2005	<u>100,908</u>	<u>151</u>	<u>101,059</u>
DEPRECIATION			
At 1 January 2005	5,280	—	5,280
Charge for year	12,662	—	12,662
At 31 December 2005	<u>17,942</u>	<u>—</u>	<u>17,942</u>
NET BOOK VALUE			
At 31 December 2005	<u>82,966</u>	<u>151</u>	<u>83,117</u>
At 31 December 2004	<u>54,036</u>	<u>66</u>	<u>54,102</u>

MELFORD DEVELOPMENTS LTD

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2005

2. FIXED ASSETS *(continued)*

The company owns 50%, 65% and 85% respectively of the ordinary issued share capital of the property development companies listed below,

	2005 £	2004 £
Aggregate capital and reserves		
Heriot (St Clair) Limited	2	2
Melford Balerno Limited	100	100
HB Real Estate Limited	100	—
Profit and (loss) for the year		
Heriot (St Clair) Limited	—	—
Melford Balerno Limited	—	—
HB Real Estate Limited	(2,551)	—

3. SHARE CAPITAL

Authorised share capital:

	2005 £	2004 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>