

Company Number 225921

SKYE DEVELOPMENTS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 MARCH 2003



SKYE DEVELOPMENTS LIMITED

Directors' Report

The directors submit their report of the company, together with the financial statements for the period ended 31 March 2003.

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 financial statements 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.

Principal Activity

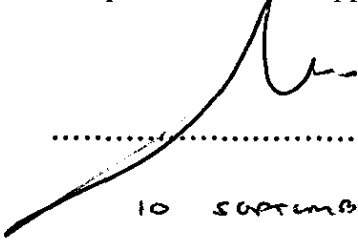
The company acquired its first investment property during the period.

Directors and Directors' Interests

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

	2003
J Macdonald	45500
M J C Ferguson	24500

This report, which has been prepared taking advantage of special exemptions applicable to small companies, has been approved by the board and is signed on their behalf.


..... Secretary

10 SEPTEMBER 2003

SKYE DEVELOPMENTS LIMITED

PROFIT AND LOSS ACCOUNT

For the Period Ended 31 March 2003

	Note	2002 £
Turnover	2	38,505
Cost of Sales		<u>-</u>
Gross Profit		38,505
Administrative Expenses		<u>2,512</u>
Operating Profit		35,993
Interest Payable	3	<u>16,137</u>
Profit on Ordinary Activities before Taxation		19,856
Taxation on Profit on Ordinary Activities	5	<u>3,820</u>
Retained Profit for Year		<u><u>16,036</u></u>

SKYE DEVELOPMENTS LIMITED

BALANCE SHEET

As at 31 March 2003

	Note	2003
		£ £
Fixed Assets		
Tangible Assets	6	326,552
Current Assets		
Debtor		747
Bank Current Account		-
		<u>747</u>
Creditors: Amounts Falling		
Due within One Year	7	<u>33,409</u>
Net Current Assets/(Liabilities)		<u>(32,662)</u>
Total Assets Less Current Liabilities		293,890
Creditors: amounts falling due		
after one year	8	<u>207,854</u>
Net Assets		<u><u>86,036</u></u>
Capital Reserves		
Called-Up Share Capital	9	70,000
Profit and Loss Account		<u>16,036</u>
Shareholder Funds		<u><u>86,036</u></u>

SKYE DEVELOPMENTS LIMITED

BALANCE SHEET (Continued)

As at 31 March 2003

The directors:

1. confirm that for the period ended 31 March 2003, the company was entitled to the exemption under section (1) of section 249A;
2. confirm that no notice requiring an audit had been deposited under subsection (2) of section 249B in relation to the accounts for the financial period; and
3. acknowledge their responsibilities for:
 - (a) ensuring the company keeps accounting records which comply with section 221 and;
 - (b) preparing the accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting standard for Smaller Entities (effective June 2002)

The financial statements were approved by the directors on 10 September 2003

Director



SKYE DEVELOPMENTS LIMITED

Notes to the Financial Statements

For the Period to 31 March 2003

1. Accounting Policies

(a) Basis of Preparation of the Accounts

The accounts are prepared under the historical cost convention, modified to include the revaluation of investment properties and in accordance with the Financial Reporting standard for Smaller Entities (effective June 2002).

(b) Investment Properties

The company's investment properties are held for long term investment and, in accordance with SSAP 19:

- (i) Investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve and
- (ii) No depreciation or amortisation is provided in respect of investment properties.

(c) Deferred Taxation

Deferred tax is provided on the liability method on all material short-term timing differences which are expected to reverse in the future.

SKYE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Period Ended 31 March 2003

2 Turnover

Turnover primarily represents proceeds from letting income for the year.

3 Interest Payable	2001 £
On Bank Loans	<u>16,137</u>

4 Staff Costs

There were no employees during the year, and no remuneration was paid to directors.

5 Taxation on Profit on Ordinary Activities	2003 £
Provision on Profits for Period (19%)	<u>3,820</u>

6 Tangible Fixed Assets	Investment Property £
Addition in Period	<u>326552</u>

7 Creditors: Amounts Falling Due Within One Year	2003 £
Bank overdraft (secured)	1,082
Current portion of bank loans	18,800
Taxation and Social Security	6,404
Accruals and Deferred Income	<u>7,123</u>
	<u>33,409</u>

SKYE DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Period Ended 31 March 2003

8 Creditors - Amounts Falling due after More than One Year

This balance represents bank loan secured by way of a standard security and a floating charge over the assets of the company. The loan is repayable as follows:

	2003 £
Repayable After 5 Years	132,648
Repayable within 5 Years	<u>94,006</u>
	226,654
Included in current liabilities	<u>18,800</u>
	<u><u>207,854</u></u>

9 Called - Up Share Capital

	2003 £
Authorised: 100,000 Ordinary Shares of £1 Each	<u>100,000</u>
Authorised: 70,000 Ordinary Shares of £1 Each	<u><u>70,000</u></u>