

New Star Property (Scotland) Limited
Directors' report and unaudited
financial statements
Registered number SC 269321
5 April 2006



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Officers and advisers

Directors Andrew R Aikman
Suzanne LM Aikman

Secretary Andrew R Aikman

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Accountants Henderson Loggie
34 Melville Street
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Bankers Clydesdale Bank plc
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Solicitors Lindsays Residential
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Directors' report

The directors present their annual report and the unaudited financial statements for the year to 5 April 2006

Principal activity

The company's principal activity is the development and letting of property

Business review

The results for the period and the financial position of the company are as shown in the annexed financial statements
The directors consider the results for the period to be satisfactory

Directors and directors' interests

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

	At end of period	At beginning of period
Andrew R Aikman	1	1
Suzanne LM Aikman		

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

This report was approved and authorised for issue by the Board on 17 January 2007 and is signed on its behalf by



Andrew R Aikman
Secretary

Profit and loss account
for the year ended 5 April 2006

	<i>Note</i>	2006 £	2005 £
Turnover	<i>1</i>	6,153	266,849
Cost of sales		(3,930)	(255,090)
Gross profit		2,223	11,759
Operating costs		(5,506)	(6,500)
Operating (loss)/profit		(3,283)	5,259
Interest receivable			755
Interest payable and similar charges	<i>3</i>	(6,301)	(9,868)
Loss on ordinary activities before taxation	<i>2</i>	(9,584)	(3,854)
Tax on loss on ordinary activities	<i>4</i>		
Loss for the financial period		(9,584)	(3,854)

Other than the loss for the current and previous years there have been no other recognised gains or losses

Balance sheet

at 5 April 2006

	Note	2006 £	2006 £	2005 £	2005 £
Fixed assets					
Tangible assets	5		458,870		147,052
Current assets					
Debtors	6	13			
Cash at bank		170		414	
		<u>183</u>		<u>414</u>	
Creditors amounts falling due within one year	7	(80,391)		(4,267)	
Net current liabilities			(80,208)		(3,853)
Total assets less current liabilities			378,662		143,199
Creditors amounts falling due after more than one year	8	(245,047)			
		<u>133,615</u>		<u>143,199</u>	
Capital and reserves					
Called up share capital	9		1		1
Capital contribution			147,052		147,052
Profit and loss account	10		(13,438)		(3,854)
Shareholders' funds – equity	11		<u>133,615</u>		<u>143,199</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 5 April 2006

The members have not required the company to obtain an audit of its financial statements for the period ended 5 April 2006 in accordance with Section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
- 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 period and of its profit or loss for each financial period in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and were approved and authorised for issue by the Board of directors on 12 January 2007 and were signed by



Andrew R Aikman
Director

Notes

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective January 2005) and under the historical cost accounting rules, modified to include the revaluation of investment properties. In accordance with accounting standards, investment properties will be revalued annually and the appropriate surplus or deficit is transferred to a revaluation reserve. Permanent reductions in value are written off to the profit and loss account. No depreciation or amortisation is provided in respect of these properties, nor could it be reasonably quantified.

The treatment of investment properties is a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, because these properties are held for investment the directors consider the annual depreciation would be inappropriate and that the accounting policy adopted is therefore necessary for the financial statements to give a true and fair view.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue to trade. The validity of this assumption is dependent upon future profitability and the continued support of the company director. If the company were unable to trade, adjustments would have to be made to provide for future liabilities that may arise and to reclassify fixed assets as current assets.

Fixed assets and depreciation

Fixed assets are held as investment properties and are not depreciated in accordance with the FRSSE.

Turnover

Turnover represents rental income and the sale of developed properties.

Deferred taxation

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRSSE.

2	Loss on ordinary activities before taxation	2006 £	2005 £
	<i>The loss on ordinary activities before taxation is stated</i>		
	<i>after charging</i>		
	Directors' emoluments		
3	Interest paid and similar charges	2006 £	2005 £
	Mortgage interest	6,300	3,815
	Other interest and penalty interest	1	5,418
	Security charges		635
		6,301	9,868

Notes (continued)

4 Taxation

	2006 £	2005 £
<i>Analysis of charge in period</i>		
<i>UK corporation tax</i>		
Current tax on income for the period		
Adjustments in respect of prior periods		
Total current tax		
<i>Deferred tax</i>		
Origination/(reversal) of timing differences		
Tax on loss on ordinary activities		

5 Tangible fixed assets

	Investment properties £	Total £
<i>Cost</i>		
At beginning of period	147,052	147,052
Additions	311,818	311,818
At end of period	458,870	458,870
<i>Net book value</i>		
At 5 April 2006	458,870	458,870
At 5 April 2005	147,052	147,052

Included within investment properties are two properties held at cost. The directors do not believe that the value of these properties has increased since the date of acquisition.

6 Debtors

	2006 £	2005 £
Prepayments	13	

7 Creditors: amounts falling due within one year

	2006 £	2005 £
Term Loan	4,953	
Directors' loan account	63,674	2,270
Accruals	11,764	1,997
	80,391	4,267

Notes *(continued)*

8 Creditors: amounts falling due in more than one year

	2006 £	2005 £
Term Loan		
Repayable between 1 and 2 years	6,960	
Repayable between 2 and 5 years	23,562	
Repayable in over 5 years	214,525	
	<u>245,047</u>	

The term loan is secured by a bond and floating charge over the assets of the company in favour of the bank.

9 Called up share capital

	2006 £	2005 £
<i>Authorised</i>		
1,000 ordinary shares of £1 each	1,000	1,000
	<u>1</u>	<u>1</u>
<i>Allotted, called up and fully paid</i>		
1 ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

10 Profit and loss account

	2006 £
At beginning of year	(3,854)
Loss for the year	(9,584)
	<u>(13,438)</u>
At end of year	<u>(13,438)</u>

11 Reconciliation of movements in shareholders funds

	2006 £
At beginning of year	143,199
Loss for the year	(9,584)
	<u>133,615</u>
At end of year	<u>133,615</u>

12 Post balance sheet events

In February 2006, the company entered into an unconditional contract to purchase a property in North Berwick. Although at the balance sheet date the company had not completed the purchase, there was a constructive obligation to conclude the acquisition. The property and the associated costs of acquisition have therefore been included in these accounts.

13 Related party transactions

During the year, Mr Aikman, one of the company directors, incurred expenses amounting to £58,646 and received £6,153 of income on behalf of the company. The amount owed to Mr Aikman by the company at the year end was £63,675 (2005 £2,270).

14 Ultimate controlling party

The ultimate controlling party of the company is Mr and Mrs Aikman.



HENDERSON LOGGIE

Chartered Accountants
34 Melville Street
Edinburgh
EH3 7HA

Chartered Accountants' report to the Directors on the unaudited accounts of New Star Property (Scotland) Limited

In accordance with the engagement letter dated 9 January 2007 and in order to assist you to fulfil your duties under the Companies Act 1985, we have prepared the accounts of the company on pages 3 to 7 which comprise the profit and loss account, balance sheet and related notes from the accounting records and information and explanations supplied to us

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken to enable us to prepare the accounts on behalf of the company's Board of Directors 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of accounts.

You have acknowledged on the balance sheet for the period ended 5 April 2006 your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the period.

We have not been instructed to carry out an audit of the accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the accounts.

Henderson Loggie

Henderson Loggie
Chartered Accountants

12 January 2007