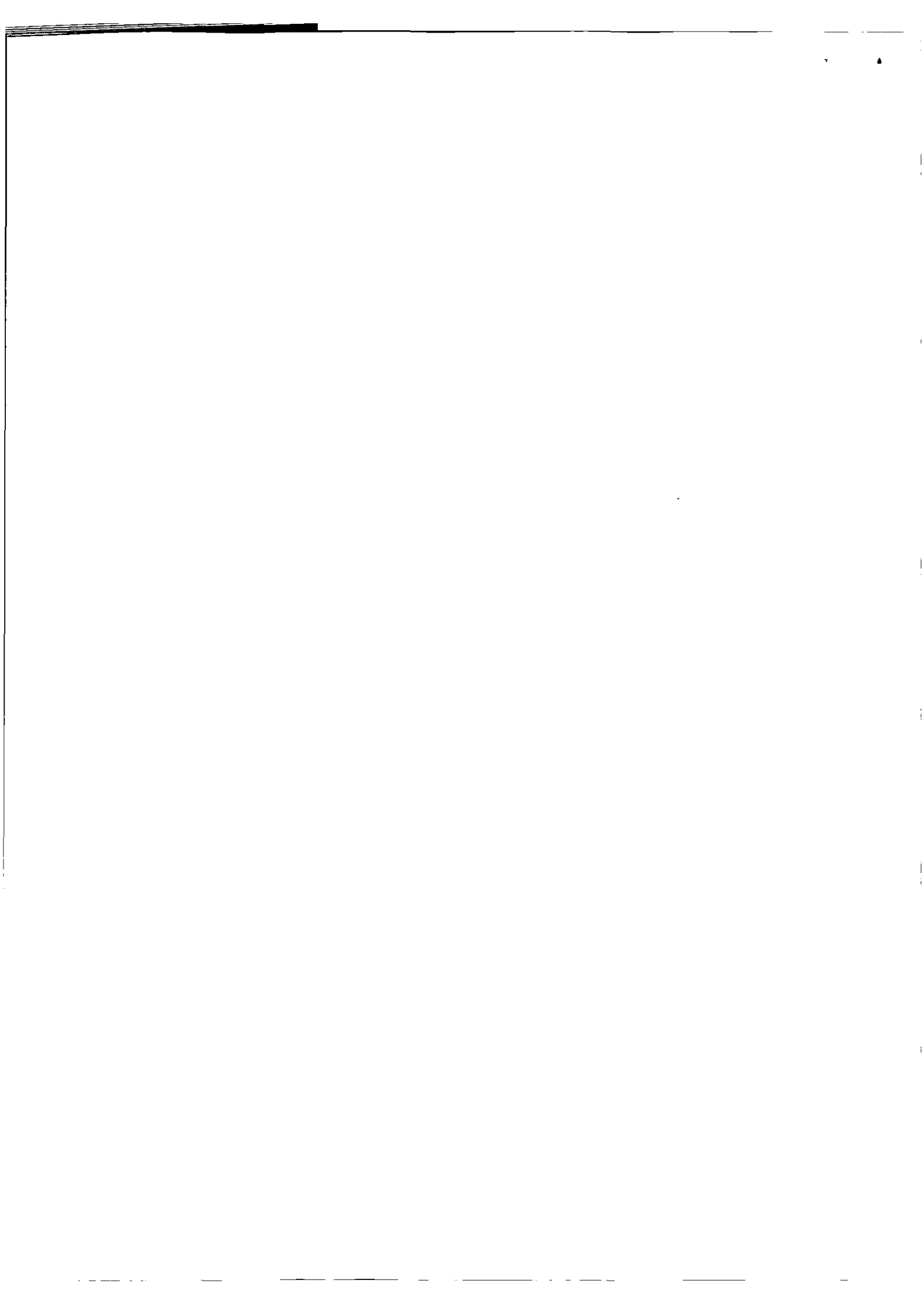


**REPORT OF THE DIRECTORS AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2008  
FOR  
WALLAKERS LIMITED**





**WALLAKERS LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST AUGUST 2008**

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2
<b>Chartered Accountants' Report</b>	3
<b>Profit and Loss Account</b>	4
<b>Statement of Total Recognised Gains and Losses</b>	5
<b>Balance Sheet</b>	6
<b>Notes to the Financial Statements</b>	7
<b>Profit and Loss Account</b>	12

**WALLAKERS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST AUGUST 2008**

**DIRECTORS:** R.D.S. Heald  
Mrs J Heald

**SECRETARY:** Mrs J. Heald

**REGISTERED OFFICE:** 69 Victoria Road  
Surbiton  
Surrey  
KT6 4NX

**REGISTERED NUMBER:** 2748237

**ACCOUNTANTS:** T.H. Dowling & Co  
Chartered Accountants  
Suite 2, The Sanctuary  
23, Oakhill Grove  
SURBITON, Surrey  
KT6 6DU

**WALLAKERS LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST AUGUST 2008**

The directors present their report with the financial statements of the company for the year ended 31st August 2008.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of Chartered Surveyors, valuers and property consultants and property investment.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIRECTORS**

The directors during the year under review were:

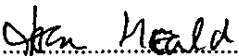
R.D.S. Heald  
Mrs J Heald

The beneficial interests of the directors holding office on 31st August 2008 in the issued share capital of the company were as follows:

	31.8.08	1.9.07
<b>Ordinary £1 shares</b>		
R.D.S. Heald	75	75
Mrs J Heald	25	25

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

**ON BEHALF OF THE BOARD:**

  
.....  
Mrs J. Heald - Secretary

Date: 22/12....., 2008

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
WALLAKERS LIMITED**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 31st August 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes from the accounting records and information and explanations you have given to us.

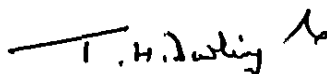
This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 31st August 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements 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 year.

We have not been instructed to carry out an audit of the financial statements. 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 financial statements.

T.H. Dowling & Co  
Chartered Accountants  
Suite 2, The Sanctuary  
23, Oakhill Grove  
SURBITON, Surrey  
KT6 6DU



Date: 29<sup>th</sup> December, 2008

**WALLAKERS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31ST AUGUST 2008**

	Notes	2008 £	2007 £
<b>TURNOVER</b>		10,694	15,480
Administrative expenses		6,795	8,938
		<u>3,899</u>	<u>6,542</u>
Other operating income		-	500
<b>OPERATING PROFIT</b>	3	<u>3,899</u>	<u>7,042</u>
Amounts written off investments	4	15,985	-
		<u>(12,086)</u>	<u>7,042</u>
Interest payable and similar charges	5	1	-
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(12,087)</u>	<u>7,042</u>
Tax on (loss)/profit on ordinary activities	6	828	1,300
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><u>(12,915)</u></u>	<u><u>5,742</u></u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

**WALLAKERS LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31ST AUGUST 2008**

	2008 £	2007 £
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>	(12,915)	5,742
Revaluation of fixed asset investments	(97,814)	75,000
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<u>(110,729)</u>	<u>80,742</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material.



**WALLAKERS LIMITED**

**BALANCE SHEET  
31ST AUGUST 2008**

	Notes	2008		2007	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		401,159		515,303
Investments	8		475		475
			401,634		515,778
<b>CURRENT ASSETS</b>					
Debtors	9	1,651		2,101	
Cash in hand		100		100	
		1,751		2,201	
<b>CREDITORS</b>					
Amounts falling due within one year	10	161,568		129,433	
<b>NET CURRENT LIABILITIES</b>			(159,817)	(127,232)	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			241,817	388,546	
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		227,802		263,802
<b>NET ASSETS</b>			14,015	124,744	
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		100		100
Revaluation reserve	14		-		97,814
Profit and loss account	14		13,915		26,830
<b>SHAREHOLDERS' FUNDS</b>			14,015	124,744	

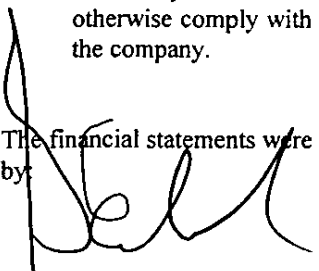
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31st August 2008.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st August 2008 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 22.12.2008, 2008 and were signed on its behalf by

  
.....  
R.D.S. Heald - Director

The notes form part of these financial statements

WALLAKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST AUGUST 2008

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable accounting standards.

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents rental income from property investments excluding V.A.T.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Held for investment and not depreciated
Long leasehold	- Held for investment and not depreciated
Fixtures and fittings	- 15% on cost

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset.

2. STAFF COSTS

There were no staff costs for the year ended 31st August 2008 nor for the year ended 31st August 2007.

The average monthly number of employees during the year was as follows:

	2008	2007
Management	<u>2</u>	<u>2</u>

3. OPERATING PROFIT

The operating profit is stated after charging:

	2008	2007
	£	£
Depreciation - owned assets	<u>346</u>	<u>346</u>
Directors' emoluments	<u>-</u>	<u>-</u>

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2008	2007
	£	£
Provisions for losses on property investments	<u>15,985</u>	<u>-</u>

**WALLAKERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST AUGUST 2008**

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2008	2007
	£	£
Interest on overdue tax	1	-
	<u>1</u>	<u>-</u>

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the loss on ordinary activities for the year was as follows:

	2008	2007
	£	£
Current tax:		
UK corporation tax	827	1,300
Under provision for taxation in prior year	1	-
	<u>828</u>	<u>1,300</u>
Tax on (loss)/profit on ordinary activities	<u>828</u>	<u>1,300</u>

UK corporation tax has been charged at 20.42% (2007 - 19.42%).

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2008	2007
	£	£
(Loss)/profit on ordinary activities before tax	(12,087)	7,042
	<u>(12,087)</u>	<u>7,042</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.420% (2007 - 19.420%)	(2,468)	1,368
Effects of:		
Timing differences not provided	32	(68)
Provision disallowed for tax purposes	3,264	-
	<u>828</u>	<u>1,300</u>
Current tax charge	<u>828</u>	<u>1,300</u>

**WALLAKERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST AUGUST 2008**

**7. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
<b>COST OR VALUATION</b>				
At 1st September 2007	18,798	495,000	2,306	516,104
Revaluations	6,202	(120,000)	-	(113,798)
At 31st August 2008	<u>25,000</u>	<u>375,000</u>	<u>2,306</u>	<u>402,306</u>
<b>DEPRECIATION</b>				
At 1st September 2007	-	-	801	801
Charge for year	-	-	346	346
At 31st August 2008	<u>-</u>	<u>-</u>	<u>1,147</u>	<u>1,147</u>
<b>NET BOOK VALUE</b>				
At 31st August 2008	<u>25,000</u>	<u>375,000</u>	<u>1,159</u>	<u>401,159</u>
At 31st August 2007	<u>18,798</u>	<u>495,000</u>	<u>1,505</u>	<u>515,303</u>

The freehold and leasehold properties are held as investment properties and in accordance with Statement of Standard Accounting Practice 19, the properties are included in the accounts at their open market value, and no depreciation has been provided. The properties have been valued by the directors.

A long lease is one with more than 50 years unexpired at the balance sheet date.

Cost or valuation at 31st August 2008 is represented by:

	Freehold property £	Long leasehold £	Fixtures and fittings £	Totals £
Valuation in 2007	-	75,000	-	75,000
Valuation in 2008	6,202	(120,000)	-	(113,798)
Cost	<u>18,798</u>	<u>420,000</u>	<u>2,306</u>	<u>441,104</u>
	<u>25,000</u>	<u>375,000</u>	<u>2,306</u>	<u>402,306</u>

**8. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1st September 2007 and 31st August 2008	<u>475</u>
<b>NET BOOK VALUE</b>	
At 31st August 2008	<u>475</u>
At 31st August 2007	<u>475</u>

The investment comprises freehold ground rents.

**WALLAKERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST AUGUST 2008**

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008	2007
	£	£
Other debtors	1,551	2,001
Prepayments	100	100
	<u>1,651</u>	<u>2,101</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2008	2007
	£	£
Other loans (see note 12)	149,495	114,968
Tax	827	1,299
Other creditors	1,687	3,157
Directors current account	8,564	9,064
Accrued expenses	995	945
	<u>161,568</u>	<u>129,433</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Director's loan account (see note 15)

**12. LOANS**

An analysis of the maturity of loans is given below:

	2008	2007
	£	£
Amounts falling due within one year or on demand:		
Loan - Wallakers	149,495	114,968
	<u>149,495</u>	<u>114,968</u>

**13. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2008	2007
			£	£
100	Ordinary	£1	100	100
			<u>100</u>	<u>100</u>

**14. RESERVES**

	Profit and loss account	Revaluation reserve	Totals
	£	£	£
At 1st September 2007	26,830	97,814	124,644
Deficit for the year	(12,915)		(12,915)
Revaluation in period	-	(97,814)	(97,814)
	<u>13,915</u>	<u>-</u>	<u>13,915</u>
At 31st August 2008	<u>13,915</u>	<u>-</u>	<u>13,915</u>

No provision has been made in the accounts for the capital gains tax liability that would arise on the sale of the properties at the valuations included in these accounts. The estimated tax liability that would arise amounts to approximately £ Nil.(2007 - £12,000)

**WALLAKERS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST AUGUST 2008**

**15. OTHER FINANCIAL COMMITMENTS**

A long leasehold property included in the books at a valuation of £125,000 is charged to HSBC in respect of a loan to R D S Heald, one of the director's of the company. These funds were lent by Mr Heald to the company to assist with the purchase of the property.

**16. RELATED PARTY DISCLOSURES**

Throughout the period the company has been under the control of Mr Heald, a director and major shareholder.

Mr Heald is the sole proprietor of Wallakers, the agents responsible for collecting the rents on behalf of the company.

During the year Mr Heald lent the company £Nil (2007-£Nil) to assist with the property acquisitions. His total loan to the company at the balance sheet date amounted to £227,802 (2007-£263,802) after repayments in the year. These loans are interest free.

**17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2008	2007
	£	£
(Loss)/Profit for the financial year	(12,915)	5,742
Other recognised gains and losses relating to the year (net)	<u>(97,814)</u>	<u>75,000</u>
<b>Net (reduction)/addition to shareholders' funds</b>	<b>(110,729)</b>	<b>80,742</b>
Opening shareholders' funds	<u>124,744</u>	<u>44,002</u>
<b>Closing shareholders' funds</b>	<b><u><u>14,015</u></u></b>	<b><u><u>124,744</u></u></b>