3873060

Lambda Developments Limited

Report and Financial Statements

Year Ended

31 March 2007

BDO Stoy Hayward

Chartered Accountants

Lambda Developments Limited

Annual report and financial statements for the year ended 31 March 2007

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Directors

J R Kyle-Henney
S E Henney
P T Kyle-Henney
L J Sturges

Secretary and registered office

S E Henney, Lambda House, Fairview Road, Weyhill, Andover, Hants. SP11 0ST

Company number

3873060

Auditors

BDO Stoy Hayward LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

Lambda Developments Limited

Report of the directors for the year ended 31 March 2007

The directors present their report together with the audited financial statements for the year ended 31 March 2007.

Results

The profit and loss account is set out on page 5 and shows the profit for the year.

Principal activities

The company's principal activity is the rental of freehold property.

Directors

The directors of the company during the year were:

J R Kyle-Henney
S E Henney
P T Kyle-Henney
L J Sturges

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. 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 and;
- 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.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

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

Director 1|12|08

Lambda Developments Limited

Independent auditor's report

To the shareholders of Lambda Developments Limited

We have audited the financial statements of Lambda Developments Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 and whether the information given in the directors' report is consistent with those financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
Southampton

5th January 2009

Lambda Developments Limited

Profit and loss account for the year ended 31 March 2007

	Note	2007 £	2006 £
Turnover	2	**109,000**	93,000
Cost of sales		-	5,855
Gross profit		**109,000**	87,145
Administrative expenses		**7,502**	23,227
Operating profit	3	**101,498**	63,918
Other interest receivable and similar income		**2,474**	3,801
Interest payable and similar charges		**(28,620)**	(23,277)
Profit on ordinary activities before taxation		**75,352**	44,442
Taxation on profit on ordinary activities		**5,579**	8,444
Profit on ordinary activities after taxation		**69,773**	35,998
Retained profit brought forward		**519,423**	483,425
Retained profit carried forward		**589,196**	519,423

The notes on pages 8 to 12 form part of these financial statements.

Lambda Developments Limited

Statement of total recognised gains and losses for the year ended 31 March 2007

	2007 £	2006 £
Profit for the financial year	**69,773**	35,998
Revaluation Surplus on Investment Property	**254,511**	-
Total recognised gains and losses for the financial year	**324,284**	35,998

The notes on pages 8 to 12 form part of these financial statements.

Lambda Developments Limited

Balance sheet at 31 March 2007

	Note	2007 £	2007 £	2006 £	2006 £
Fixed assets					
Tangible assets	5		-		1,095,489
Fixed asset investments	6		1,350,000		-
			1,350,000		1,095,489
Current assets					
Debtors	7	100		11,421	
Cash at bank and in hand		57,822		232,997	
		57,922		244,418	
Creditors: amounts falling due within one year	8	105,630		88,327	
Net current (liabilities)/assets			(47,708)		156,091
Total assets less current liabilities			1,302,292		1,251,580
Creditors: amounts falling due after more than one year	9	458,485		720,041	
Provisions for liabilities	10	-		12,016	
			458,485		732,057
			843,807		519,523
Capital and reserves					
Called up share capital	11		100		100
Revaluation reserve	12		254,511		-
Profit and loss account	12		589,196		519,423
Shareholders' funds			843,807		519,523

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 the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the board of directors and authorised for issue on 1|12|2008

Director 11|12|08.

The notes on pages 8 to 12 form part of these financial statements.

1 Accounting policies

The financial statements have been prepared under the historical cost convention. The following principal accounting policies have been applied:

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Freehold buildings	-	2%

Investment properties

In accordance with SSAP 19 investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 1985 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

Turnover

Turnover represents rental income and service charges receivable, net of value added tax.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances arising from underlying timing differences in respect of tax allowances on industrial buildings are reversed if and when all conditions for retaining those allowances have been met.

Deferred tax balances are not discounted.

2 Turnover

Turnover arises solely within the United Kingdom.

3 Operating profit

	2007 £	2006 £
This is arrived at after charging:		
Depreciation of tangible fixed assets	-	16,985
Auditors' remuneration - audit services	**4,500**	4,000

4 Directors' remuneration

No director received any emoluments during the current year (2006 - £nil).

5 Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 April 2006	1,166,648
Transfer to fixed asset investments	(1,166,648)
At 31 March 2007	-
Depreciation	
At 1 April 2006	71,159
Transfers to fixed asset investments	(71,159)
At 31 March 2007	-
Net book value	
At 31 March 2007	-
At 31 March 2006	1,095,489

6 Fixed asset investments

	Investment property £
Cost or valuation	
At 1 April 2006	-
Transfer from tangible fixed assets	1,095,489
Revaluation	254,511
At 31 March 2007	**1,350,000**
Net book value	
At 31 March 2007	**1,350,000**
At 31 March 2006	-

The investment property was valued on the basis of an open market valuation for existing use at 31 March 2008 by Dreweatt Neate, chartered surveyors. The Directors consider that the valuation at that date of £1,350,000 was not materially different from the value of the property at 31 March 2007. Accordingly, the revaluation of £1,350,000 has been reflected in these financial statements.

7 Debtors

	2007 £	2006 £
Other debtors	**100**	11,421

All amounts shown under debtors fall due for payment within one year.

8 Creditors: amounts falling due within one year

	2007 £	2006 £
Bank loan (secured)	**72,248**	67,675
Taxation and social security	**18,799**	11,212
Other creditors	**14,583**	9,440
	105,630	88,327

The bank loan is secured on the company's investment property.

9 Creditors: amounts falling due after more than one year

	2007 £	2006 £
Bank loan (secured)	**159,079**	230,936
Amounts owed to a related party	**-**	389,699
Shareholders' loans	**200,000**	-
Amounts owed to a related party pension fund	**99,406**	99,406
	458,485	720,041

10 Provisions for liabilities

	Deferred taxation £
At 1 April 2006	12,016
Credited to profit and loss account	(12,016)
At 31 March 2007	-

Deferred taxation

	2007 £	2006 £
Accelerated capital allowances	-	12,016

11 Share capital

	2007	2006
	£	£
Authorised		
1,000 shares of £1 each	**1,000**	1,000

	2007	2006
	£	£
Allotted, called up and unpaid		
100 shares of £1 each	**100**	100

Included within other debtors is £100 in respect of the unpaid issued share capital.

12 Reserves

	Revaluation reserve	Profit and loss account
	£	£
At 1 April 2006	-	519,423
Profit for the year	-	69,773
Revaluation surplus in the year	254,511	-
At 31 March 2007	**254,511**	**589,196**

13 Related party disclosures

Related party transactions and balances

During the year £109,000 (2006: £93,000) of building & ground maintenance charges and rental charges were made to Kylmar (KMC) Limited, a company in which the directors of Lambda Developments Limited have an interest. No amounts remained outstanding at the year end in respect of these charges (2006: nil).

During the year the shareholders loaned £200,000 to the company. Interest is payable on these loans at 2% above the Bank of England base rate. During the year, £9,333 of interest has been charged to the profit and loss account in respect of these loans. At the year end the amount outstanding in respect of these loans and associated interest is £209,333.