

Registered number: 2187214



## THE KINGSTREE GROUP (UK) LIMITED

### ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2008

## THE KINGSTREE GROUP (UK) LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE KINGSTREE GROUP (UK) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts of The Kingstree Group (UK) Limited for the year ended 31 December 2008, which comprise the Balance sheet and the related notes, together with the financial statements of the Company for the year ended 31 December 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the Company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in a special Auditor's 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, for our work, for this report, or for the opinions we have formed.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the Company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

#### BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special Auditors' report on abbreviated accounts in the United Kingdom issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the Company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

#### OPINION

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts which comprise the Balance sheet and the related notes have been properly prepared in accordance with those provisions.



**LITTLEJOHN LLP**

Chartered Accountants  
Registered Auditors

1 Westferry Circus  
Canary Wharf  
London  
E14 4HD


Date: 21 May 2009

**THE KINGSTREE GROUP (UK) LIMITED**

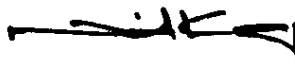
**ABBREVIATED BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	2	24,734	29,197
Fixed asset investments	3	91	91
		<u>24,825</u>	<u>29,288</u>
<b>CURRENT ASSETS</b>			
Debtors		630,735	926,736
Cash at bank and in hand		14,844	153,875
		<u>645,579</u>	<u>1,080,611</u>
<b>CREDITORS:</b> amounts falling due within one year	4	<u>(411,339)</u>	<u>(1,068,034)</u>
<b>NET CURRENT ASSETS</b>		234,240	12,577
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>259,065</u>	<u>41,865</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	1,200	1,200
Share premium account		214,288	214,288
EBT reserve	6	545	545
Own shares	6	(35)	(35)
Other reserve		165,470	150,681
Profit and loss account		(122,403)	(324,814)
<b>SHAREHOLDERS' FUNDS</b>		<u>259,065</u>	<u>41,865</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 21 MAY 2009



**L L Bowman Jr.**  
Director



**N Kemp**  
Director

The notes on pages 3 to 7 form part of these financial statements.

## THE KINGSTREE GROUP (UK) LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### 1.2 Cash flow

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small Company.

##### 1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of services supplied, exclusive of Value Added Tax and trade discounts in the year.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	25%	straight line
Office equipment	-	25%	straight line

##### 1.5 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

##### 1.6 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

##### 1.7 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

## **THE KINGSTREE GROUP (UK) LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **1. ACCOUNTING POLICIES (continued)**

##### **1.8 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

##### **1.9 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

##### **1.10 Share option plan**

The Company has a share option scheme for the granting of non-transferable options to key executives. Options are granted with a fixed exercise price equal to the market price of the shares under the option at the grant date.

The options become exercisable on the third anniversary of the grant of the option subject to service conditions being met.

The cost of awards made under this scheme is measured as the fair value of the award at the grant date. The fair value is determined using a binomial valuation model.

The cost of this share option scheme is recognised in the profit and loss account, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date when the employees become fully entitled to the shares ('vesting date'). The cumulative expense recognised for share option schemes at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors and based on the best available estimate at that date, will ultimately vest. The profit and loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest.

# THE KINGSTREE GROUP (UK) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 2. TANGIBLE FIXED ASSETS

	£
<b>Cost</b>	
At 1 January 2008	113,360
Additions	8,991
Disposals	(7,597)
	<hr/>
At 31 December 2008	114,754
	<hr/>
<b>Depreciation</b>	
At 1 January 2008	84,163
Charge for the year	13,454
On disposals	(7,597)
	<hr/>
At 31 December 2008	90,020
	<hr/>
<b>Net book value</b>	
At 31 December 2008	24,734
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At 31 December 2007	29,197
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### 3. FIXED ASSET INVESTMENTS

	£
<b>Cost or valuation</b>	
At 1 January 2008 and 31 December 2008	91
	<hr/>
	£
<b>Cost or valuation</b>	
At 1 January 2008 and 31 December 2008	112,804
	<hr/>
<b>Impairment</b>	
At 1 January 2008 and 31 December 2008	112,713
	<hr/>
<b>Net book value</b>	
At 31 December 2008	91
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At 31 December 2007	91
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### 4. CREDITORS:

#### Amounts falling due within one year

The bank loan is secured by debenture over the book debts and assets, a personal guarantee by L L Bowman, a Director of the Company.

# THE KINGSTREE GROUP (UK) LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

### 5. SHARE CAPITAL

	2008 £	2007 £
<b>Authorised</b>		
10,150,000 Ordinary shares of 1p each	101,500	101,500
<b>Allotted, called up and fully paid</b>		
120,013 (2007 - 120,013) Ordinary shares of 1p each	1,200	1,200

The Company has a share option scheme for the granting of non-transferable options to key executives. Options are granted with a fixed exercise price equal to the market price of the shares under the option at the grant date.

The options become exercisable on the third anniversary of the grant of the option subject to service conditions being met.

The following table illustrates the number (No.) and exercise price of share options for the plan:

Date	Option £	Price £	(Lapsed)/ Granted £	At 31 December 2008 £	At 31 December 2007 £
14 July 2000	14,700	2.42	(9,200)	5,500	5,500
30 April 2001	13,950	3.49	(10,450)	3,500	3,500
18 June 2002	28,750	3.44	(16,500)	12,250	12,250
18 December 2003	29,000	3.28	(7,800)	21,200	21,200
28 October 2005	16,400	3.28	-	16,400	16,400

The number of outstanding options at 31 December 2008 were 58,850 (2007 - 58,850). No options were exercised during the year.

The total charge for the year relating to the employee share option plan was £14,789 (2007 - £17,930).

### 6. RESERVES

	EBT reserve £	Own shares £
At 1 January 2008 and 31 December 2008	545	(35)

## **THE KINGSTREE GROUP (UK) LIMITED**

### **NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008**

#### **7. RELATED PARTY TRANSACTIONS**

During the year the company incurred expenditure on behalf of The Kingtree Group (Hong Kong) Limited of £12,554 (2007 - £5,000). The balance owed by Kingtree Group (UK) Limited at the year end was £18,059 (2007 - £30,613).

During the year £851 (2007 -£1,843) was invoiced to Keyprep Limited, a company in which The Kingtree Group (UK) Limited has an interest, for introductory fees.

During the year £13,200 (2007 - £67,784) was advanced to Keyprep Limited. The balance of £13,200 (2007 - £ni) remains outstanding at the year end and is disclosed within other debtors.

All transactions between the companies were at arm's length and on normal commercial terms.

#### **8. CONTROLLING PARTY**

The Company is controlled by Mr L L Bowman Jr. and Mrs. S R C Bowman.