

02965908

KINLEIGH FOLKARD AND HAYWARD LIMITED

REPORT AND ACCOUNTS

FOR THE

PERIOD ENDED 30 SEPTEMBER 1995



**KINLEIGH FOLKARD AND HAYWARD LIMITED
DIRECTORS' REPORT**

DIRECTORS: R M Cleminson - appointed 7 September 1994
N J Russell - appointed 7 September 1994
L T Watts - appointed 1 March 1995

SECRETARY: L T Watts

REGISTERED OFFICE: KFH House, Norstead Place, London, SW15 3SA

REGISTERED NUMBER: 2965708

The directors present their report together with the accounts of the company for the period ended 30 September 1995.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period 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 period. In preparing these accounts, the directors are required to:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) prepare the accounts 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 accounts 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 was incorporated on 7 September 1994, and commenced trading on 1 October 1994.

The principal activity of the company during the period was that of chartered surveyors and valuers.

COMPARATIVE FIGURES

No comparative figures have been presented with these accounts because this was the first period of trading.

DIRECTORS AND THEIR INTERESTS

The directors of the company at 30 September 1995 are shown above. In addition, Property Holdings Limited served as a director until its resignation on 7 September 1994, and J J D'Arcy also served as a director, resigning on 28 February 1995.

No directors had a beneficial interest in the share capital of the company at any time during the period.

KINLEIGH FOLKARD AND HAYWARD LIMITED
DIRECTORS' REPORT (CONTINUED)

DIRECTORS AND THEIR INTERESTS (continued)

The interest of the directors in the share capital of the parent undertaking was as follows:

	At 30 September 1995	On appointment	
	Ordinary shares of £1 each	'A'	'B'
L T Watts	<u>14,868</u>	<u>1,347</u>	<u>8,081</u>

During the period, the 'A' shares and 'B' shares in the parent undertaking were redesignated as one class of ordinary share capital.

AUDITORS

Warrener Stewart & Co., Chartered Accountants, of Harwood House, 43 Harwood Road, London, SW6 4QP, were appointed by the directors as first auditors of the company.

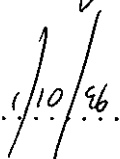
Warrener Stewart & Co. will be proposed for reappointment at the forthcoming annual general meeting.

BASIS OF PREPARATION

The directors have taken advantage, in the preparation of this report, of the special exemptions available to small companies in Part II of Schedule 8 to the Companies Act 1985, on the grounds that the company qualifies as a small company under section 247 of that Act.

By Order of the Board

L T Watts 

Date 

AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH FOLKARD AND HAYWARD LIMITED

We have audited the accounts on pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30 September 1995 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985, as applicable to small companies.

Warrener Stewart & Co

**WARRENER STEWART & CO
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS**

Harwood House
43 Harwood Road
London
SW6 4QP

Date *4th October 1996*

KINLEIGH FOLKARD AND HAYWARD LIMITED
 PROFIT AND LOSS ACCOUNT
 FOR THE PERIOD ENDED 30 SEPTEMBER 1995

	Notes	£	£
Turnover	3		150,363
Cost of sales			112,916
Gross profit			<u>37,447</u>
Selling and distribution costs		16,771	
Administrative expenses		<u>46,744</u>	
			<u>63,515</u>
OPERATING LOSS	4		(26,068)
Interest payable	5		<u>1,329</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>(27,397)</u>
Tax on loss on ordinary activities	6		-
LOSS FOR THE FINANCIAL PERIOD CARRIED FORWARD			<u><u>£ (27,397)</u></u>

The results detailed above are derived wholly from continuing operations.

There are no recognised gains or losses other than the loss for the financial period.

The attached notes 1 to 13 form a part of these accounts.

KINLEIGH FOLKARD AND HAYWARD LIMITED
BALANCE SHEET AS AT 30 SEPTEMBER 1995

	Notes	£	£
FIXED ASSETS			
Tangible assets	7		2,885
CURRENT ASSETS			
Debtors	8	30,483	
Cash at bank and in hand		50	
		<u>30,533</u>	
CREDITORS: Amounts falling due within one year	9	60,813	
		<u></u>	
NET CURRENT LIABILITIES			(30,280)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ (27,395)</u>
CAPITAL AND RESERVES			
Called up share capital	10		2
Profit and loss account	11		(27,397)
			<u>£ (27,395)</u>

The directors have taken advantage, in the preparation of these accounts, of some of the special exemptions available to small companies in Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company under section 247 of that Act.

Approved by:

L T Watts 

Date.....11/10/96.....

The attached notes 1 to 13 form a part of these accounts.

KINLEIGH FOLKARD AND HAYWARD LIMITED
NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 1995

1. BASIS OF PREPARATION OF THE ACCOUNTS

The accounts have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The company's directors consider this to be appropriate in the light of the following:

The deficit of net assets of £27,395 at 30 September 1995 is arrived at after taking account of £42,523 owed to the ultimate parent undertaking. This financial support will not be withdrawn for the foreseeable future.

2. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the accounts.

ACCOUNTING CONVENTION

The accounts have been prepared under the historical cost convention.

TURNOVER

Turnover represents invoiced sales less returns exclusive of value added tax.

A specific fixed percentage of gross income is credited to a lapse reserve account against which any actual lapses are debited

DEPRECIATION

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	- 25% on written down value
Office equipment	- 25% on written down value

PENSION CONTRIBUTIONS

The company operates a defined contribution scheme for its employees. The funds of this scheme are administered by trustees and are separate from the company. All payments are charged to the profit and loss account as and when they arise.

3. TURNOVER

The turnover and loss for the period are attributable to the principal activity of the company, and are derived wholly from within the United Kingdom.

KINLEIGH FOLKARD AND HAYWARD LIMITED
NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 1995 (CONTINUED)

4. OPERATING LOSS

£

This is stated after charging:

Total directors' emoluments	48,842
Pension costs	840
Auditors' remuneration	1,000
Depreciation of tangible fixed assets	565
Hire of plant and machinery	2,523
	<u>2,523</u>

5. INTEREST PAYABLE

Interest on bank overdrafts	<u>£1,329</u>
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Interest payable relates to overdrafts and loans wholly repayable within five years.

6. TAX ON LOSS ON ORDINARY ACTIVITIES

No charge to corporation tax arises due to the loss for the period.

The company has tax losses available, subject to agreement by H.M.I.T., amounting to approximately £26,000.

7. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Office equipment £	Total £
Cost:			
Additions and at 30 September 1995	<u>1,777</u>	<u>1,673</u>	<u>3,450</u>
Depreciation:			
Charge for the period and at 30 September 1995	<u>315</u>	<u>250</u>	<u>565</u>
Net book value:			
At 30 September 1995	<u>£1,462</u>	<u>£1,423</u>	<u>£2,885</u>

8. DEBTORS

£

Trade debtors	29,935
Other debtors	548
	<u>£30,483</u>

9. CREDITORS: Amounts falling due within one year

Bank overdraft (unsecured)	5,207
Trade creditors	3,899
Amounts owed to ultimate parent undertaking (note 12)	42,523
Other creditors	9,184
	<u>£60,813</u>

KINLEIGH FOLKARD AND HAYWARD LIMITED
 NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 30 SEPTEMBER 1995 (CONTINUED)

10. SHARE CAPITAL

Authorised:	
Ordinary shares of £1 each	£1,000
	<u> </u>
Allotted, issued and fully paid:	
Ordinary shares of £1 each	£ 2
	<u> </u>

The two subscriber shares were issued on incorporation, in order to provide the initial share capital of the company.

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	Share capital £	Profit & loss account £	Total £
Balance on incorporation	-	-	-
Shares issued	2	-	2
Loss for the period	-	(27,397)	(27,397)
	<u> </u>	<u> </u>	<u> </u>
Balance as at 30.9.95	£ 2	£(27,397)	£(27,395)
	<u> </u>	<u> </u>	<u> </u>

12. RELATED PARTY TRANSACTIONS

A number of transactions and balances within related parties arose during the period, as follows:

BALANCES WITH RELATED PARTIES	£
Creditor balances	
Kinleigh Limited	£42,523
	<u> </u>

TRANSACTIONS WITH RELATED PARTIES

During the period expenses totalling £95,435 were recharged to the company by Kinleigh Limited.

NATURE OF RELATIONSHIPS

L T Watts was a director of both Kinleigh Limited and Kinleigh Folkard and Hayward Limited during the period. He was also a shareholder in Kinleigh Limited, which was the ultimate parent undertaking of Kinleigh Folkard and Hayward Limited throughout the period.

13. ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Kinleigh Limited, a company incorporated in England.