

Kindlance Limited
REPORT AND FINANCIAL STATEMENTS

31 December 2003



Kindlance Limited

DIRECTORS AND OFFICERS

DIRECTORS

ID Rosenberg Esq
Mrs JB Rosenberg

SECRETARY

Marie Hancock

REGISTERED OFFICE

2 Bloomsbury Street
London WC1B 3ST

Kindlance Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Kindlance Limited for the year ended 31 December 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of mortgages.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The directors are satisfied with the results for the year and the financial position at the year end. The business is trading out and the directors have no plans to provide any further mortgages.

DIVIDENDS

The company is precluded from the payment of a dividend.

DIRECTORS

The following directors have held office since 1 January 2003:


ID Rosenberg Esq
Mrs JB Rosenberg

DIRECTORS' INTERESTS IN SHARES

Directors' interests in the shares of the company, including family interests, were as follows:

	<i>Ordinary shares of £1 each</i>	
	31.12.03	31.12.02
ID Rosenberg Esq	-	-
Mrs JB Rosenberg	100	100

By order of the board


Marie Hancock
Secretary

25 October 2004

Kindlance Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. 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 requirements of 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.

Kindlance Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2003

	<i>Notes</i>	2003 £	2002 £
TURNOVER	1	6,332	9,535
Cost of sales		(4,347)	(2,112)
Gross profit		<u>1,985</u>	<u>7,423</u>
Other operating expenses (net)		(8,062)	(15,962)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	<u>(6,077)</u>	<u>(8,539)</u>
Taxation	4	-	-
RETAINED LOSS FOR THE YEAR	10	<u>(6,077)</u>	<u>(8,539)</u>

The operating loss for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Kindlance Limited

BALANCE SHEET


31 December 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible assets	5	-	41
CURRENT ASSETS			
Debtors due within one year	6	4,707	6,434
Debtors due after more than one year	6	19,993	64,551
Cash at bank and in hand		1,969	1,484
		<u>26,669</u>	<u>72,469</u>
CREDITORS: Amounts falling due within one year	7	(2,350)	(14,873)
NET CURRENT ASSETS		<u>24,319</u>	<u>57,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		24,319	57,637
CREDITORS: Amounts falling due after more than one year	8	(57,349)	(84,590)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(33,030)</u>	<u>(26,953)</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account	10	(33,130)	(27,053)
SHAREHOLDERS' FUNDS	11	<u>(33,030)</u>	<u>(26,953)</u>

For the year ended 31 December 2003 the company was entitled to the exemption from the requirement to have an audit under the provisions of s 249A(1), Companies Act 1985. No notice has been deposited with the company under s249B(2) of that Act requiring an audit to be carried out. The directors acknowledge their responsibility for:

- Ensuring that the company keeps accounting records in accordance with s221, 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 its financial year, and of its result for the year then ended in accordance with the requirements of s226, Companies Act 1985, and which otherwise comply with the requirements of the Act so far as they are applicable to the company.

Approved by the board on 25 October 2004


J Rosenberg Director

Kindlance Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

GOING CONCERN

The company relies on the continued support of the director and continue to adopt the going concern concept in preparing the financial statements.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Computer equipment	25% straight line.
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TURNOVER

Turnover represents interest received by the company in respect of mortgages held by clients during the year.

Kindlance Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

1 TURNOVER

The company's turnover were all derived from its principal activity. All sales were made in United Kingdom.

2	(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2003 £	2002 £
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(Loss)/profit on ordinary activities before taxation is stated after charging:

Depreciation and amounts written off tangible fixed assets:
owned assets

41 43

3 EMPLOYEES

2003
No. 2002
No.

The average weekly number of persons (including directors) employed by the company during the year was:

Office and management

3 3

2003
£ 2002
£

Staff costs for the above persons:

Wages and salaries

2,493 7,063

Social security costs

1,411 948

3,904 8,011

4 TAXATION

2003
£ 2002
£

Current tax:

UK corporation tax on profits of the period

- -

Factors affecting tax charge for period:

2003
£ 2002
£

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:

Loss on ordinary activities before tax

(6,077) (8,539)

Loss on ordinary activities multiplied by standard rate of corporation tax in the UK 19% (2003: 19%)

(1,155) (1,622)

Effects of:

Capital allowances in excess of depreciation

8 13

Losses carried forward

1,147 1,609

Tax charge for period

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Kindlance Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

5	TANGIBLE FIXED ASSETS		<i>Office equipment £</i>
	Cost or valuation		
	1 January 2003 and 31 December 2003		4,352
	Depreciation		
	1 January 2003		4,311
	Charged in the year		41
	31 December 2003		4,352
	Net book value		
	31 December 2003		-
	31 December 2002		41
6	DEBTORS	2003 £	2002 £
	Due within one year:		
	Trade debtors	4,707	6,434
	Due in more than one year:		
	Trade debtors	19,993	64,551
	Trade debtors relate to capital repayments in respect of the secured loans made by the company to third parties. The terms of the loans range from 15 years to 25 years.		
7	CREDITORS: Amounts falling due within one year	2003 £	2002 £
	Accruals and deferred income	2,350	14,873
8	CREDITORS: Amounts falling due after more than one year	2003 £	2002 £
	Directors' loan account	57,349	84,590
9	SHARE CAPITAL	2003 £	2002 £
	Authorised:		
	1,000 ordinary shares of £1 each	1,000	1,000
	Allotted, issued and fully paid:		
	100 ordinary shares of £1 each	100	100

Kindlance Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2003

10	PROFIT AND LOSS ACCOUNT	2003	2002
		£	£
	1 January 2003	(27,053)	(18,514)
	Loss for the financial year	(6,077)	(8,539)
	31 December 2003	<u>(33,130)</u>	<u>(27,053)</u>
11	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2003	2002
		£	£
	Loss for the financial year	(6,077)	(8,539)
	Opening shareholders' funds	(26,953)	(18,414)
	Closing shareholders' funds	<u>(33,030)</u>	<u>(26,953)</u>
12	ULTIMATE CONTROLLING PARTY		
		The ultimate controlling party is JB Rosenberg.	