

**RAJ & KNOLL LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2015**

Spurling Cannon  
Statutory Auditors  
424 Margate Road  
Westwood  
Ramsgate  
Kent  
CT12 6SJ

THURSDAY



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COMPANIES HOUSE

**RAJ & KNOLL LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2015**

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**RAJ & KNOLL LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2015**

**DIRECTORS:**

Mr N G Patel  
Mrs A N Patel

**SECRETARY:**

Mrs A N Patel

**REGISTERED OFFICE:**

68 Liverpool Road  
Walmer  
Deal  
Kent  
CT14 7LP

**REGISTERED NUMBER:**

03136897 (England and Wales)

**AUDITORS:**

Spurling Cannon  
Statutory Auditors  
424 Margate Road  
Westwood  
Ramsgate  
Kent  
CT12 6SJ

**SOLICITORS:**

Emmerson Brown & Brown  
127 High Street  
Deal  
Kent  
CT14 6BD

**RAJ & KNOLL LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

The directors present their strategic report for the year ended 31 March 2015.

**REVIEW OF BUSINESS**

Fair review of the business

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The company continues to operate care homes as its main activity. The other main source of income is from rental of investment properties.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being Turnover, Other operating income, Operating profit, Profit on ordinary activities before taxation and Return on capital employed in the current economic times.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2015	2014
Turnover - Care Homes	£	2,453,243	2,436,677
Turnover - Newsagents	£	-	112,890
Other operating income	£	123,043	109,962
Operating profit	£	1,007,938	1,050,405
Profit on ordinary activities before taxation	£	742,699	778,619

Fee income from the continuing Care Home part of the business has remained consistent with a small increase over last year of less than 1%.

Overall, the operating profit has decreased by 4% from £1,050,405 to £1,007,938. The profit before tax has decreased to £742,699 from £778,619.

**RAJ & KNOLL LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

**PRINCIPAL RISKS AND UNCERTAINTIES**

As for many businesses of our size, the business environment in which we operate continues to be challenging.

We face risks relating to customer wellbeing and safety which is always in the spotlight. The directors seek ways to share best practice in the management of clinical and safety risk including training of nursing and support staff.

Changes in government and regulatory policy have an effect on the profitability of the business. The risk of policy change remains high where the company is dependent on local authority relationships and funding. We are also subject to consumer spending patterns and the overall level of savings that they have for their long term needs. The company manages this risk by having a good mix between private and local authority funded residents.

The company seeks to operate within its agreed loan terms and covenants with the bank. The company is exposed to interest rate risk on its borrowings with the bank. As part of mitigating the risk against increase in interest rates, part of the long term borrowings are on fixed or capped interest rates and the remaining loan is on a variable rate.

With these risks and uncertainties in mind, we are aware that plans for the future development of the business may be subject to unforeseen events outside of our control.

**ON BEHALF OF THE BOARD:**

  
.....  
Mrs A N Patel - Director

Date: 24/12/2015 .....

**RAJ & KNOLL LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2015**

The directors present their report with the financial statements of the company for the year ended 31 March 2015.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2015.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2014 to the date of this report.

Mr N G Patel  
Mrs A N Patel

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.


**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Spurling Cannon, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....  
Mrs A N Patel - Director

Date: 24/11/2015 .....

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RAJ & KNOLL LIMITED**

We have audited the financial statements of Raj & Knoll Limited for the year ended 31 March 2015 on pages six to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

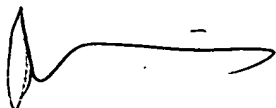
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jonathan Spurling (Senior Statutory Auditor)  
for and on behalf of Spurling Cannon  
Statutory Auditors  
424 Margate Road  
Westwood  
Ramsgate  
Kent  
CT12 6SJ

Date: 24/11/2015

**RAJ & KNOLL LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	2015 £	2014 £
<b>TURNOVER</b>		<b>2,453,243</b>	<b>2,549,567</b>
Continuing operations		2,453,243	2,436,677
Discontinued operations		-	112,890
Cost of sales	2	993,379	1,080,023
<b>GROSS PROFIT</b>	2	<b>1,459,864</b>	<b>1,469,544</b>
Net operating expenses	2	451,926	419,139
<b>OPERATING PROFIT</b>	4	<b>1,007,938</b>	<b>1,050,405</b>
Continuing operations		1,007,938	1,092,461
Discontinued operations		-	(42,056)
Exceptional profit on disposal of fixed assets - discontinued operations		-	37,701
		1,007,938	1,088,106
Interest receivable and similar income		37,507	47,027
		1,045,445	1,135,133
Amounts written off investments	5	200,000	220,000
		845,445	915,133
Interest payable and similar charges	6	102,746	136,514
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>742,699</b>	<b>778,619</b>
Tax on profit on ordinary activities	7	222,857	238,917
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>519,842</b>	<b>539,702</b>


**TOTAL RECOGNISED GAINS AND LOSSES**

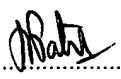
The company has no recognised gains or losses other than the profits for the current year or previous year.

**BALANCE SHEET**  
**31 MARCH 2015**

	Notes	2015 £	2014 £
<b>FIXED ASSETS</b>			
Intangible assets	8	-	-
Tangible assets	9	2,560,285	2,725,123
Investment property	10	593,363	793,363
		<u>3,153,648</u>	<u>3,518,486</u>
<b>CURRENT ASSETS</b>			
Debtors	11	3,063,220	2,834,975
Cash at bank and in hand		2,772,789	1,625,302
		<u>5,836,009</u>	<u>4,460,277</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	720,048	625,337
<b>NET CURRENT ASSETS</b>		<u>5,115,961</u>	<u>3,834,940</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,269,609</u>	<u>7,353,426</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(3,779,395)	(3,382,893)
<b>PROVISIONS FOR LIABILITIES</b>	15	(29,725)	(29,886)
<b>NET ASSETS</b>		<u>4,460,489</u>	<u>3,940,647</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	100	100
Profit and loss account	17	4,460,389	3,940,547
<b>SHAREHOLDERS' FUNDS</b>	20	<u>4,460,489</u>	<u>3,940,647</u>

The financial statements were approved by the Board of Directors on 24 December 2015 and were signed on its behalf by:

  
.....  
Mrs A N Patel - Director

  
.....  
Mr N G Patel - Director

The notes form part of these financial statements

**RAJ & KNOLL LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2015**

	Notes	2015 £	2014 £
<b>Net cash inflow from operating activities</b>	1	1,188,435	1,174,850
<b>Returns on investments and servicing of finance</b>	2	(65,239)	(89,487)
<b>Taxation</b>		(233,032)	(234,923)
<b>Capital expenditure</b>	2	(5,789)	(13,505)
		<u>884,375</u>	<u>836,935</u>
<b>Financing</b>	2	263,112	(1,342,874)
<b>Increase/(decrease) in cash in the period</b>		<u>1,147,487</u>	<u>(505,939)</u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net funds</b>	3		
Increase/(decrease) in cash in the period		1,147,487	(505,939)
Cash (inflow)/outflow from (increase)/decrease in debt		<u>(337,026)</u>	<u>1,342,874</u>
Change in net funds resulting from cash flows		<u>810,461</u>	<u>836,935</u>
<b>Movement in net funds in the period</b>		<u>810,461</u>	<u>836,935</u>
<b>Net funds/(debt) at 1 April</b>		<u>590,038</u>	<u>(246,897)</u>
<b>Net funds at 31 March</b>		<u>1,400,499</u>	<u>590,038</u>

The notes form part of these financial statements

**RAJ & KNOLL LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2015**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2015 £	2014 £
Operating profit	1,007,938	1,050,405
Depreciation charges	170,628	185,015
Decrease in stocks	-	38,500
Increase in debtors	(43,848)	(5,845)
Increase/(decrease) in creditors	53,717	(93,225)
<b>Net cash inflow from operating activities</b>	<b><u>1,188,435</u></b>	<b><u>1,174,850</u></b>

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2015 £	2014 £
<b>Returns on investments and servicing of finance</b>		
Interest received	37,507	47,027
Interest paid	(102,746)	(136,514)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(65,239)</u></b>	<b><u>(89,487)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(5,789)	(71,438)
Sale of tangible fixed assets	-	57,933
<b>Net cash outflow for capital expenditure</b>	<b><u>(5,789)</u></b>	<b><u>(13,505)</u></b>
<b>Financing</b>		
New loans in year	742,329	(1,054,871)
Loan repayments in year	(294,907)	(288,003)
New loans granted in year	(452,397)	-
Loan repayments received in year	268,000	-
Amount introduced by directors	87	-
<b>Net cash inflow/(outflow) from financing</b>	<b><u>263,112</u></b>	<b><u>(1,342,874)</u></b>

The notes form part of these financial statements

**RAJ & KNOLL LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2015**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/4/14 £	Cash flow £	At 31/3/15 £
Net cash:			
Cash at bank and in hand	1,625,302	1,147,487	2,772,789
	<u>1,625,302</u>	<u>1,147,487</u>	<u>2,772,789</u>
Debt:			
Debts falling due within one year	(288,002)	(50,921)	(338,923)
Debts falling due after one year	(747,262)	(286,105)	(1,033,367)
	<u>(1,035,264)</u>	<u>(337,026)</u>	<u>(1,372,290)</u>
Total	<u>590,038</u>	<u>810,461</u>	<u>1,400,499</u>

The notes form part of these financial statements

# **RAJ & KNOLL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**

### **1. ACCOUNTING POLICIES**

#### **Accounting convention**

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

#### **Turnover**

Turnover represents invoiced services provided and includes irrecoverable value added tax.

#### **Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of ten years.

#### **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	- 4% on cost
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

#### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

#### **Deferred tax**

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

### **2. ANALYSIS OF OPERATIONS**

	<b>Continuing</b>	<b>2015 Discontinued</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cost of sales	<u>993,379</u>	<u>-</u>	<u>993,379</u>
Gross profit	<u>1,459,864</u>	<u>-</u>	<u>1,459,864</u>
Net operating expenses:			
Administrative expenses	574,969	-	574,969
Other operating income	(123,043)	-	(123,043)
	<u>451,926</u>	<u>-</u>	<u>451,926</u>

**RAJ & KNOLL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2015**

**2. ANALYSIS OF OPERATIONS - continued**

	Continuing £	2014 Discontinued £	Total £
Cost of sales	<u>970,855</u>	<u>109,168</u>	<u>1,080,023</u>
Gross profit	<u>1,465,822</u>	<u>3,722</u>	<u>1,469,544</u>
Net operating expenses:			
Administrative expenses	482,024	47,077	529,101
Other operating income	<u>(108,663)</u>	<u>(1,299)</u>	<u>(109,962)</u>
	<u>373,361</u>	<u>45,778</u>	<u>419,139</u>

**3. STAFF COSTS**

	2015 £	2014 £
Wages and salaries	907,614	887,168
Social security costs	<u>68,038</u>	<u>62,932</u>
	<u>975,652</u>	<u>950,100</u>

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

	2015	2014
Management	2	2
Administration	5	5
Nursing, care and support	<u>51</u>	<u>58</u>
	<u>58</u>	<u>65</u>

**4. OPERATING PROFIT**

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation - owned assets	170,627	185,015
Auditors' remuneration	<u>6,000</u>	<u>4,500</u>
Directors' remuneration	<u>54,000</u>	<u>54,000</u>

**5. AMOUNTS WRITTEN OFF INVESTMENTS**

	2015 £	2014 £
Written off fixed asset investments	<u>200,000</u>	<u>220,000</u>

**RAJ & KNOLL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2015**

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loan interest	<b>99,808</b>	135,561
Other interest payable	-	953
Interest on corporation tax	<b>2,938</b>	-
	<u><b>102,746</b></u>	<u><b>136,514</b></u>

**7. TAXATION**

**Analysis of the tax charge**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>223,018</b>	233,031
Deferred tax	<b>(161)</b>	5,886
Tax on profit on ordinary activities	<u><b>222,857</b></u>	<u><b>238,917</b></u>

**8. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b>
	<b>£</b>
<b>COST</b>	
At 1 April 2014	
and 31 March 2015	<u><b>90,000</b></u>
<b>AMORTISATION</b>	
At 1 April 2014	
and 31 March 2015	<u><b>90,000</b></u>
<b>NET BOOK VALUE</b>	
At 31 March 2015	<u><u><b>-</b></u></u>
At 31 March 2014	<u><u><b>-</b></u></u>

**RAJ & KNOLL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2015**

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2014	3,577,346	395,950	27,000	-	4,000,296
Additions	-	4,611	-	1,178	5,789
At 31 March 2015	3,577,346	400,561	27,000	1,178	4,006,085
<b>DEPRECIATION</b>					
At 1 April 2014	1,076,269	187,091	11,813	-	1,275,173
Charge for year	143,094	23,610	3,796	127	170,627
At 31 March 2015	1,219,363	210,701	15,609	127	1,445,800
<b>NET BOOK VALUE</b>					
At 31 March 2015	2,357,983	189,860	11,391	1,051	2,560,285
At 31 March 2014	2,501,077	208,859	15,187	-	2,725,123

**Revaluation and transfers**

The Freehold Investment Property class of fixed assets was revalued on 10 December 2012 by an MRICS qualified valuer who is external to the company. The basis of the valuation was on open market value of the investment properties.

An interim valuation of the Freehold Investment Property class of fixed assets was carried out by the directors on 31 March 2015. The directors are not aware of any material change in value since the date of valuation. This class of asset has a current value of £593,363 (2014:£793,363) and a carrying amount at historical cost of £1,349,996 (2014:£1,349,996).

**10. INVESTMENT PROPERTY**

	Total £
<b>COST OR VALUATION</b>	
At 1 April 2014	793,363
Impairments	(200,000)
At 31 March 2015	593,363
<b>NET BOOK VALUE</b>	
At 31 March 2015	593,363
At 31 March 2014	793,363

Cost or valuation at 31 March 2015 is represented by:

	£
Valuation in 2014	793,363
Valuation in 2015	(200,000)
	593,363

**RAJ & KNOLL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2015**

**11. DEBTORS**

	2015 £	2014 £
Amounts falling due within one year:		
Trade debtors	171,118	108,072
Sundry debtors	3,700	3,881
Loans to employees	2,938	2,015
Prepayments and accrued income	65,436	85,376
	<u>243,192</u>	<u>199,344</u>
Amounts falling due after more than one year:		
Sundry debtors	<u>2,820,028</u>	<u>2,635,631</u>
Aggregate amounts	<u>3,063,220</u>	<u>2,834,975</u>

Amounts falling due after more than one year, include the following sums owed by undertakings in which the company has participating interest:

Loan to NPS Property Holding Limited is the sum of £1,758,656 (2014:£1,733,656). Mr N G Patel and Mrs A N Patel are sole directors and shareholders in NPS Property Holdings Limited. The loan is unsecured, interest free and has no fixed repayment date. In addition, no regular repayments have been made or agreed with the borrower.

Loan to NPS (Deal) Limited in the sum of £474,375 (2014:£767,375). Mr N G Patel and Mrs A N Patel were sole directors and shareholders in NPS (Deal) Limited at the balance sheet date. They transferred their share to Dr S Patel and their directorships were transferred to Dr S Patel, Mr G S Patel and Mr P N Patel on the 17th June 2015. The loan is unsecured, interest free and repayable with 12 months notice from Raj & Knoll Limited.

Loan to Prem Estates Limited in the sum of £134,600 (2014:£134,600). Mrs A N Patel is a director and 51% shareholder of Prem Estates Limited. The loan is unsecured, interest free and repayable with 12 months notice from Raj & Knoll Limited.

Loan to NPS Property Enfield Limited £378,397 (2014:£0) This company is a 100% subsidiary of NPS Property Holdings Limited, a company owned and controlled by Mrs A N Patel and Mr N G Patel.

Loan to NPS Property (Gillingham) Limited £74,000.00 (2014:£0) This company is a 100% subsidiary of NPS Property Holdings Limited, a company owned and controlled by Mrs A N Patel and Mr N G Patel.

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

	2015 £	2014 £
Bank loans and overdrafts (see note 14)	338,923	288,002
Trade creditors	28,300	6,755
Corporation Tax	223,018	233,032
Social security and other taxes	21,445	22,100
Sundry creditors	32,834	23,446
Directors' current accounts	20,225	1,509
Accruals and deferred income	55,303	50,493
	<u>720,048</u>	<u>625,337</u>

**RAJ & KNOLL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2015**

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Bank loans (see note 14)	<u><b>3,779,395</b></u>	<u><b>3,382,893</b></u>

**14. LOANS**

The bank loans and overdraft are secured by legal charge over the company's freehold properties. The bank also holds a debenture created on 22nd September 2008.

**15. PROVISIONS FOR LIABILITIES**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Deferred tax	<u><b>29,725</b></u>	<u><b>29,886</b></u>
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1 April 2014		<b>29,886</b>
Provided during year		<b>(161)</b>
Balance at 31 March 2015		<u><b>29,725</b></u>

**16. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2015</b>	<b>2014</b>
			<b>£</b>	<b>£</b>
100	Ordinary	£1	<u><b>100</b></u>	<u><b>100</b></u>

**17. RESERVES**

	<b>Profit and loss account</b>
	<b>£</b>
At 1 April 2014	<b>3,940,547</b>
Profit for the year	<b>519,842</b>
At 31 March 2015	<u><b>4,460,389</b></u>

# **RAJ & KNOLL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS - continued** **FOR THE YEAR ENDED 31 MARCH 2015**

### **18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

#### **Related party transactions**

During the year the company made the following related party transactions:

During the year the company provided an additional loan to NPS Property Holdings Limited in the sum of £25,000, increasing the amount due from that company as at the balance sheet date to £1,758,656. Mr N G Patel and Mrs A N Patel are sole directors and shareholders in NPS Property Holdings Limited. The loan is unsecured, interest free and has no fixed repayment date. In addition, no regular repayments have been made or agreed with the borrower.

During the year NPS (Deal) Limited repaid £293,000 of the amount advanced. As at the balance sheet date, £474,375 was due from this company. Mr N G Patel and Mrs A N Patel were sole directors and shareholders in NPS (Deal) Limited at the balance sheet date. Subsequently on 17 June 2015 the shares were transferred to Dr S Patel, new directors Dr S Patel, Mr G S Patel and Mr P Patel were appointed and Mr N G Patel and Mrs A N Patel resigned. The loan is unsecured, interest free and repayable within 12 months notice from Raj & Knoll Limited.

At the balance sheet date £134,600 was due from Prem Estates Limited. Mrs A N Patel is a 51% shareholder in Prem Estates Limited. The loan is unsecured, interest free and repayable with 12 months notice from Raj & Knoll Limited

During the year a loan was made to NPS Property Enfield Limited of £378,397, which was still due from that company at the year end. NPS Property Enfield Limited is a 100% subsidiary of NPS Property Holdings Limited, a company controlled by Mr N G Patel and Mrs A N Patel.

During the year a loan was made to NPS Property (Gillingham) Limited of £74,000, which was still due from that company at the year end. NPS Property (Gillingham) Limited is a 100% subsidiary of NPS Property Holdings Limited, a company controlled by Mr N G Patel and Mrs A N Patel.

At the balance sheet date the amount due to Mr N G Patel and Mrs A N Patel was £20,225 (2014:£1510)

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standards for Medium Entities.

### **19. CONTROLLING PARTY**

The company is controlled by the directors who own 100% of the called up share capital.

### **20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2015 £	2014 £
Profit for the financial year	519,842	539,702
<b>Net addition to shareholders' funds</b>	<b>519,842</b>	539,702
Opening shareholders' funds	3,940,647	3,400,945
<b>Closing shareholders' funds</b>	<b>4,460,489</b>	3,940,647