

GENESIS ASSET FINANCE LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007

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COMPANIES HOUSE

CHADWICK LLP
Chartered Accountants & Registered Auditors
The Lexicon
10/12 Mount Street
Manchester
M2 5NT

GENESIS ASSET FINANCE LIMITED

COMPANY INFORMATION

DIRECTOR J D Frost

COMPANY SECRETARY K Frost

COMPANY NUMBER 04065418

REGISTERED OFFICE Chester House
2 Chester Road
Hazel Grove
Stockport
Cheshire
SK7 5NU

ACCOUNTANTS Chadwick LLP
Chartered Accountants
The Lexicon
Mount Street
Manchester
M2 5NT

BANKERS Co-operative Bank Plc
1 Balloon Street
Manchester
M60 4EP

SOLICITORS O'Neill Patient
Chester House
2 Chester House
Hazel Grove
Stockport
Cheshire
SK7 5NU

GENESIS ASSET FINANCE LIMITED

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GENESIS ASSET FINANCE LIMITED

**THE REPORT OF THE MEMBERS OF THE COMMITTEE
FOR THE YEAR ENDED 30 NOVEMBER 2007**

The director presents his report and the financial statements for the year ended 30 November 2007

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were the provision of leasing and hire purchase facilities to commercial clients, both as primary lender and third party broker

DIRECTOR

The director who served during the year was

J D Frost

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations of £20,700 (2006 £10,200)

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the board on 14 July 2008 and signed on its behalf



K Frost
Secretary

GENESIS ASSET FINANCE LIMITED

**DIRECTOR'S STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2007**

I confirm that as director I have met my duty in accordance with the Companies Act 1985 to

- ensure that the company has kept proper accounting records,
- prepare financial statements which give a true and fair view of the state of affairs of the company as at 30 November 2007 and of profit and loss for that period in accordance with the Financial Reporting Standard for Smaller Entities, and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements

On behalf of the board

K Frost

Secretary

**CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT
ON THE UNAUDITED FINANCIAL STATEMENTS OF GENESIS ASSET FINANCE LIMITED
FOR THE YEAR ENDED 30 NOVEMBER 2007**

TO THE DIRECTOR OF GENESIS ASSET FINANCE LIMITED ("THE COMPANY")

We have performed certain procedures in respect of the company's unaudited financial statements for the year ended 30 November 2007 as set out on pages 4 to 11, made enquiries of the company's director and assessed accounting policies adopted by the director, in order to gather sufficient evidence for our conclusion in this report

This report is made solely to the company's director in accordance with the terms of our engagement letter dated 7 February 2007. It has been released to the director on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the director's own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the director those matters that we have agreed to state to him in this 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 and the company's director for our work, for this report or the conclusions we have formed.

RESPECTIVE RESPONSIBILITIES

You have confirmed that you have met your duty as set out in the director's statement on page 2. You consider that the company is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

SCOPE

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities. If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations and internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

CONCLUSION

Based on our work, nothing has come to our attention to refute the director's confirmation that in accordance with the Companies Act 1985 the financial statements give a true and fair view of the state of the company's affairs as at 30 November 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard for Smaller Entities.



CHADWICK LLP

Chartered Accountants

The Lexicon
Mount Street
Manchester
M2 5NT

16 July 2008

GENESIS ASSET FINANCE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2007**

	Note	2007 £	2006 £
TURNOVER	1	191,904	168,046
Administrative expenses		(93,784)	(83,075)
OPERATING PROFIT	2	98,120	84,971
Interest receivable		627	-
Interest payable		(14,974)	(14,279)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		83,773	70,692
Tax on profit on ordinary activities	4	(18,200)	(17,000)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	13	65,573	53,692

The notes on pages 7 to 11 form part of these financial statements

GENESIS ASSET FINANCE LIMITED

**BALANCE SHEET
AS AT 30 NOVEMBER 2007**

		2007		2006	
	Note	£	£	£	£
FIXED ASSETS					
Intangible fixed assets	6		100,000		112,000
CURRENT ASSETS					
Debtors amounts falling due after more than one year	7	62,541		83,702	
Debtors amounts falling due within one year	7	154,101		148,099	
Cash in hand		37,518		53,636	
		<u>254,160</u>		<u>285,437</u>	
CREDITORS: amounts falling due within one year	9	<u>(196,724)</u>		<u>(207,697)</u>	
NET CURRENT ASSETS			57,436		77,740
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>157,436</u>		<u>189,740</u>
CREDITORS: amounts falling due after more than one year	10		<u>(38,209)</u>		<u>(79,586)</u>
NET ASSETS			<u><u>119,227</u></u>		<u><u>110,154</u></u>

GENESIS ASSET FINANCE LIMITED

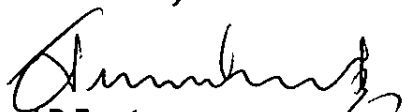
**BALANCE SHEET (continued)
AS AT 30 NOVEMBER 2007**

	Note	£	2007 £	£	2006 £
CAPITAL AND RESERVES					
Called up share capital	12		1,000		1,000
Profit and loss account	13		118,227		109,154
			<u>119,227</u>		<u>110,154</u>
SHAREHOLDERS' FUNDS					
			<u>119,227</u>		<u>110,154</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 30 November 2007 and of its profit for the year then ended in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Companies Act 1985 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
14 July 2008.


J D Frost
Director

The notes on pages 7 to 11 form part of these financial statements

GENESIS ASSET FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2007

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 Turnover

Income from finance leases is allocated to accounting periods on a systematic basis over the primary period of the leases in such a manner as to produce a constant rate of return on the investment after recognising sufficient income to cover initial direct costs, such as commissions and fees

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

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:

Computer equipment - 50% straight line

1.5 Deferred taxation

Provision is made at current rates for tax deferred in respect of all material timing differences. The company has not adopted a policy of discounting deferred tax assets and liabilities.

1.6 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Amortisation - intangible fixed assets	12,000	8,000

GENESIS ASSET FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007**

3. DIRECTOR'S REMUNERATION

	2007	2006
	£	£
Aggregate emoluments	<u>7,500</u>	<u>5,000</u>

4. TAXATION

	2007	2006
	£	£
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	19,100	19,000
Deferred tax (see note 8)		
Effect of leasing	(900)	(2,000)
Tax on profit on ordinary activities	<u>18,200</u>	<u>17,000</u>

Factors affecting tax charge for the year

The tax charge for the year is more than 19% of the profits due to amortisation of goodwill not being allowable for tax and the taxation of leasing income

5. DIVIDENDS

	2007	2006
	£	£
Dividends paid on equity capital	<u>56,500</u>	<u>30,900</u>

GENESIS ASSET FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007**

6. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 December 2006 and 30 November 2007	120,000
Amortisation	
At 1 December 2006	8,000
Charge for the year	12,000
At 30 November 2007	20,000
Net book value	
At 30 November 2007	100,000
At 30 November 2006	112,000

7. DEBTORS

	2007 £	2006 £
Due after more than one year		
Investment in finance leases and hire purchase agreements	62,541	83,702
	2007 £	2006 £
Due within one year		
Net investment in hire purchase agreements	23,432	26,808
Net investment in finance lease	77,028	88,643
Other debtors	37,741	17,648
Deferred tax asset (see note 8)	15,900	15,000
	154,101	148,099

The debtors falling due after more than one year comprises,

	2007 £	2006 £
Net investment in finance leases	51,771	83,702
Investment in hire purchase agreements	10,770	-
Total	62,541	83,702

GENESIS ASSET FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007**

8 DEFERRED TAX ASSET

	2007 £	2006 £
At 1 December 2006	15,900	13,000
Profit and loss account movement arising during the year	-	2,000
	<u>15,900</u>	<u>15,000</u>
At 30 November 2007	<u>15,900</u>	<u>15,000</u>

The deferred tax asset is made up as follows

	2007 £	2006 £
Arising on tax treatment of leased assets	<u>15,900</u>	<u>15,000</u>

**9. CREDITORS:
Amounts falling due within one year**

	2007 £	2006 £
Trade creditors	38,006	13,839
Corporation tax	19,327	19,000
Social security and other taxes	1,832	12,572
Director's current accounts	12,160	50,589
Block discounter	108,069	110,076
Accruals and deferred income	17,330	1,621
	<u>196,724</u>	<u>207,697</u>

**10. CREDITORS:
Amounts falling due after more than one year**

	2007 £	2006 £
Block discounter	<u>38,209</u>	<u>79,586</u>
	<u>38,209</u>	<u>79,586</u>

The loans owing to block discounter are secured against the net investment in finance leases

11. RELATED PARTY TRANSACTIONS

The company was under the control of Mr J D Frost throughout the current and previous year Mr J D Frost is the managing director and sole shareholder

Mr J D Frost has personally guaranteed the block discounting facility At 30 November 2007 these totaled £146,278 (2006 £189,662)

GENESIS ASSET FINANCE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2007**

12. SHARE CAPITAL

	2007 £	2006 £
Authorised, allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

13. RESERVES

	Profit and loss account £
At 1 December 2006	109,154
Profit for the year	65,573
Dividends	(56,500)
Equity capital	
At 30 November 2007	<u>118,227</u>