

KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

ABBREVIATED FINANCIAL STATEMENTS

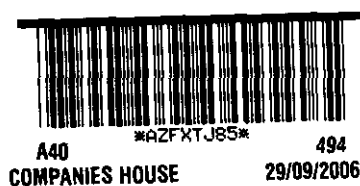
FOR THE YEAR ENDED 30TH SEPTEMBER 2005

COMPANY NUMBER: 4282641

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Sharma and Co.  
Chartered Accountants  
5 St. Denys Road  
Portswood  
Southampton  
SO17 2GN



KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 2005

	Notes	2005	2004
		£	£
FIXED ASSETS			
Tangible Assets	1	9729	5576
Development and Investment Properties	1	989343	743080
		999072	748656
CURRENT ASSETS			
Debtors		0	0
Cash at Bank		0	0
		0	0
CREDITORS: Amounts falling due within one year	2	242929	158640
Net Current Assets (Liabilities)		-242929	-158640
Total Assets less Current Liabilities		756143	590016
CREDITORS - falling due after more than one year	3	868795	698573
TOTAL ASSETS LESS LIABILITIES		-112652	-108557
CAPITAL AND RESERVES			
Called Up Share Capital	4	2	2
Profit and Loss Account		-112654	-108559
Shareholders' Deficit		-112652	-108557

KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

BALANCE SHEET

AS AT 30TH SEPTEMBER 2005

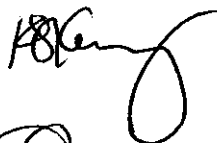
continued

- a). The Directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 248A(1) of the Companies Act 1985.
- b). No member has issued a notice requiring an audit.
- c). The Directors acknowledge their responsibilities for :
1. Ensuring that the Company keeps accounting records which comply with section 221 of the Companies Act 1985, and
  2. Preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to accounts, 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.

These accounts were approved by the Board of Directors on 20th September 2006.

Mr. K.S. Kang



Director

Mr. G.S. Ladher



Director

The notes on pages 4 to 5 form part of these Accounts.

## KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

### ACCOUNTING POLICIES

FOR THE YEAR ENDED 30TH SEPTEMBER 2005

#### BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention.

#### TURNOVER

Turnover is the total amount receivable by the Company in the ordinary course of business in respect of rents receivable from tenants in respect of properties owned and commission received from managed properties and sale of properties.

#### DEVELOPMENT AND INVESTMENT PROPERTIES

The properties developed by the Company are let on shorthold tenancies and being treated as investment properties until sold.

As these properties are available for sale, no depreciation is provided on the developed properties. This represent a departure from the Companies Act 1985 concerning the depreciation of fixed assets. The Directors consider that the adoption of this policy is necessary to give a true and fair view.

#### DEPRECIATION

Depreciation is provided on all fixed assets at rates calculated to write off the cost over their estimated useful lives at the following rates :

Motor Vehicles	25%
Furniture, Fixtures and Fittings	25%
Office Equipment	25%

#### DEFERRED TAXATION

Deferred taxation is provided on the liability method on all material timing differences, except for those which are not expected to reverse in the foreseeable future.

# KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2005

### 1. Fixed Assets

#### Tangible Fixed Assets

	Furn. Fixt and Fittings	Office Equipment	Total
Cost			
At 1st October, 2004	9913	0	9913
Additions	7397	0	7397
Disposals	0	0	0
At 30th September, 2005	17310	0	17310

#### Depreciation

At 1st October, 2004	4337	0	4337
Amount provided	3244	0	3244
Eliminated re disposals	0	0	0
At 30th September, 2005	7581	0	7581

#### Net Book Value

At 30th September, 2005	9729	0	9729
At 30th September, 2004	5576	0	5576

#### Property and Development Costs

	70-76 Ave. Road	78,78A, 78b Ave. Road	Total
Properties - As at 1.10.2004	272613	177230	449843
Additions in year	0	53867	53867
Development Costs - As at 1.10.2004	221950	71287	293237
Additions in year	0	192396	192396
As at 30.09.2005	494563	494780	989343

The properties are let under perating leases,until sold.

# KANG AND LADHER PROPERTY DEVELOPMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2005

	2005	2004
	£	£
2. Creditors - falling due within one year		
Bank Overdraft and Loans (Secured)	43142	67255
Taxation and Social Security	0	0
Other Creditors and Accruals	199787	91385
	<u>242929</u>	<u>158640</u>
3. Creditors - falling due after more than one year		
Bank Loan	868795	698573

The Bank Loan is secured by a first charge on the Development and Investment Properties of the Company together with a charge on the Life Assurance policies in the name of the Directors.

4. Called Up Share Capital		
Authorised:		
10,000 Ordinary Shares of £1 each	10,000	10,000
Issued and Fully Paid		
2 Ordinary Shares of £1 each	2	2

5. **Going Concern Basis**  
The accounts have been prepared on a going concern basis. The Company's liabilities exceed its assets by £112,652 at 30th September, 2005 (2004-£108,557). The going concern basis is appropriate providing that continued financial support is provided to the Company by the Managing Directors and Shareholders.

The Directors and Shareholders have taken no decision to discontinue the Company's trade, and the Company's Bankers have given no intimation that they intend to withdraw their support to the Company.