

KINGCROSS LTD
FINANCIAL STATEMENTS
FOR
31 AUGUST 2003

I D MACLUCAS & CO

Chartered Accountants
Churt Road
Beacon Hill
Hindhead
Surrey
GU26 6NL



A52
COMPANIES HOUSE

AWRUSWA6

0218
26/06/04

KINGCROSS LTD
FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2003

CONTENTS	PAGE
The directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	5
The following pages do not form part of the financial statements	
Accountants' report to the directors	11
Detailed profit and loss account	12
Notes to the detailed profit and loss account	13

KINGCROSS LTD
THE DIRECTORS' REPORT
YEAR ENDED 31 AUGUST 2003

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property dealers.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 August 2003	At 1 September 2002
J A Gardner	80	80
Mrs J M Gardner	<u>20</u>	<u>20</u>

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Bankside
Churt Road
Beacon Hill
Hindhead
Surrey
GU26 6NL

Signed by order of the directors


MRS J M GARDNER
Company Secretary

Approved by the directors on 23 June 04

KINGCROSS LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 AUGUST 2003

	Note	2003 £	2002 £
TURNOVER		11,000	20,360
Cost of sales		<u>8,750</u>	<u>14,999</u>
GROSS PROFIT		2,250	5,361
Administrative expenses		<u>66,933</u>	<u>55,035</u>
OPERATING LOSS	2	(64,683)	(49,674)
Interest receivable		—	56
Interest payable and similar charges		<u>(2,842)</u>	<u>(2,133)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(67,525)	(51,751)
Tax on loss on ordinary activities	4	789	(4,092)
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(68,314)	(47,659)
Balance brought forward		<u>(35,417)</u>	<u>11,642</u>
Balance carried forward		<u>(103,731)</u>	<u>(36,017)</u>

The notes on page 2 form part of these financial statements.

KINGCROSS LTD

BALANCE SHEET

31 AUGUST 2003

	Note	2003 £	£	2002 £
FIXED ASSETS				
Tangible assets	5		6,042	<u>6,485</u>
CURRENT ASSETS				
Stocks		281,203		191,185
Debtors	6	<u>5,150</u>		<u>6,019</u>
		286,353		197,204
CREDITORS: Amounts falling due within one year	7	<u>395,306</u>		<u>239,006</u>
NET CURRENT LIABILITIES			(108,953)	(41,802)
TOTAL ASSETS LESS CURRENT LIABILITIES			(102,911)	(35,317)
CREDITORS: Amounts falling due after more than one year	8		<u>720</u>	<u>—</u>
			(103,631)	(35,317)

The Balance sheet continues on the following page.

The notes on page 3 form part of these financial statements.

KINGCROSS LTD

BALANCE SHEET *(continued)*

31 AUGUST 2003

	Note	2003 £	2002 £
CAPITAL AND RESERVES			
Called-up equity share capital	10	100	100
Profit and loss account		(103,731)	(35,417)
DEFICIENCY		<u>(103,631)</u>	<u>(35,317)</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements 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 financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on the 23 June 04 and are signed on their behalf by:



J A GARDNER
Director

The notes on page 4 form part of these financial statements.

KINGCROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2003

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the *Financial Reporting Standard for Smaller Entities (effective June 2002)*.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leased Assets	-	20% Straight Line
Fixtures & Fittings	-	15% Reducing Balance
Motor Vehicles	-	25% Straight Line
Computer Equipment	-	20% Reducing Balance

Stocks

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and selling costs.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

Pension costs

The company operates a defined contribution pension scheme using an external insurance company. The amount charged to Profit and Loss is the amount paid in premiums during the year.

KINGCROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2003

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. OPERATING LOSS

Operating loss is stated after charging:

	2003	2002
	£	£
Directors' emoluments	—	—
Directors' pension contributions	1,200	1,200
Depreciation of owned fixed assets	740	513
Depreciation of assets held under finance lease agreements	1,503	1,143

3. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2003	2002
	£	£
Aggregate emoluments	—	—
Value of company pension contributions to money purchase schemes	1,200	1,200
	1,200	1,200

The number of directors who are accruing benefits under company pension schemes was as follows:

	2003	2002
	No	No
Money purchase schemes	1	1

KINGCROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2003

4. TAX ON LOSS ON ORDINARY ACTIVITIES

	2003 £	2002 £
Current tax:		
UK Corporation tax based on the results for the year at 19% (2002 - 20%)	—	(3,151)
Over/under provision in prior year	789	(789)
Total current tax	789	(3,940)
Deferred tax:		
Decrease in deferred tax provision		
Capital allowances	—	(152)
Tax on loss on ordinary activities	789	(4,092)

5. TANGIBLE FIXED ASSETS

	Leased Assets £	Fixtures, Fittings & Eqpt £	Motor Vehicles £	Computer Equipment £	Total £
COST					
At 1 September 2002	5,716	5,041	550	9,430	20,737
Additions	1,440	—	—	—	1,440
At 31 August 2003	7,156	5,041	550	9,430	22,177
DEPRECIATION					
At 1 September 2002	1,143	3,908	138	9,063	14,252
Charge for the year	1,503	170	137	73	1,883
At 31 August 2003	2,646	4,078	275	9,136	16,135
NET BOOK VALUE					
At 31 August 2003	4,510	963	275	294	6,042
At 31 August 2002	4,573	1,133	412	367	6,485

Finance lease agreements

Included within the net book value of £6,042 is £4,510 (2002 - £4,573) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £1,503 (2002 - £1,143).

KINGCROSS LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2003

6. DEBTORS

	2003	2002
	£	£
Corporation tax repayable	3,151	—
VAT recoverable	1,780	—
Other debtors	—	6,019
Prepayments and accrued income	219	—
	<u>5,150</u>	<u>6,019</u>

7. CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	66,678	9,609
Trade creditors	8,580	—
Other creditors including taxation and social security:		
Short term loans	237,000	193,000
PAYE and social security	1,549	—
VAT	—	3,194
Finance lease agreements	360	—
Other creditors	444	445
Directors current accounts	65,381	11,081
Pension fund loan	12,100	12,100
Amounts owed to connected companies	—	3,400
Accruals and deferred income	3,214	6,177
	<u>320,048</u>	<u>229,397</u>
	<u>395,306</u>	<u>239,006</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2003	2002
	£	£
Bank loans and overdrafts	66,678	—
Other participating loan	184,000	—
	<u>250,678</u>	<u>—</u>

8. CREDITORS: Amounts falling due after more than one year

	2003	2002
	£	£
Finance lease agreements	720	—

KINGCROSS LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 AUGUST 2003

9. RELATED PARTY TRANSACTIONS

The company was under the control of Mr JA Gardner throughout the current and previous year. Mr Gardner is the managing director and majority shareholder.

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Small Enterprises.

10. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>