

**REGISTRAR OF COMPANIES**

**REGISTERED NUMBER: 1956871 (England and Wales)**

**Report of the Directors and  
Financial Statements for the Year Ended 30 June 2002  
for  
Kandor Holdings Limited**



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**Kandor Holdings Limited**

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for the Year Ended 30 June 2002**

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**Kandor Holdings Limited**  
**Company Information**  
**for the Year Ended 30 June 2002**

**DIRECTORS:** M Finnesey  
G L Richbell  
S K Winstanley

**SECRETARY:** M Finnesey

**REGISTERED OFFICE:** 1 Berry Place  
Sebastian Street  
London  
EC1V 0HE

**REGISTERED NUMBER:** 1956871 (England and Wales)

**AUDITORS:** Barrys  
Chartered Certified Accountants &  
Registered Auditors  
Main Building, Binders Yard  
Cryers Hill  
Bucks  
HP15 6LJ

# Kandor Holdings Limited

## Report of the Directors for the Year Ended 30 June 2002

The directors present their report with the financial statements of the company for the year ended 30 June 2002.

### PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an investment holding company. The principal activity of the group during the year was that of modelmakers.

### DIRECTORS

The directors during the year under review were:

M Finnesey  
G L Richbell  
S K Winstanley

The beneficial interests of the directors holding office on 30 June 2002 in the issued share capital of the company were as follows:

	30.6.02	1.7.01
<b>Ordinary £1 shares</b>		
M Finnesey	18,933	18,933
G L Richbell	18,933	18,933
S K Winstanley	18,934	18,934

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

- select suitable accounting policies and then apply them consistently;
- make judgements and 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.

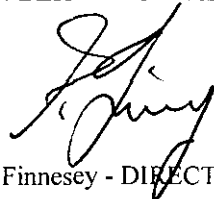
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### AUDITORS

Barrys, Registered Auditors, having been appointed during the year, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

### ON BEHALF OF THE BOARD:



M Finnesey - DIRECTOR

Dated: 2 December 2002

**Kandor Holdings Limited**

**Report of the Independent Auditors to the Shareholders of  
Kandor Holdings Limited**

We have audited the financial statements of Kandor Holdings Limited for the year ended 30 June 2002 on pages four to ten. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

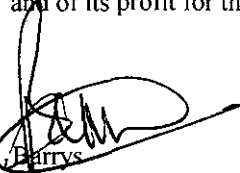
**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Certified Accountants &  
Registered Auditors  
Main Building, Binders Yard  
Cryers Hill  
Bucks  
HP15 6LJ

Dated: 2 December 2002

Kandor Holdings Limited

Profit and Loss Account  
for the Year Ended 30 June 2002

		30.6.02		30.6.01	
	Notes	£	£	£	£
<b>TURNOVER</b>			112,000		108,000
Administrative expenses			<u>4,853</u>		<u>4,405</u>
			107,147		103,595
Other operating income			<u>73,444</u>		<u>209,153</u>
<b>OPERATING PROFIT</b>	2		180,591		312,748
Income from investments		32,320		5	
Interest receivable and similar income		<u>22</u>		<u>-</u>	
			<u>32,342</u>		<u>5</u>
			212,933		312,753
Interest payable and similar charges			<u>53,822</u>		<u>54,079</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			159,111		258,674
Tax on profit on ordinary activities	3		<u>14,092</u>		<u>9,910</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			145,019		248,764
Dividends			<u>320,329</u>		<u>74,490</u>
			(175,310)		174,274
Retained profit brought forward			<u>328,357</u>		<u>154,083</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>			<u>£153,047</u>		<u>£328,357</u>

The notes form part of these financial statements

Kandor Holdings Limited

Balance Sheet  
30 June 2002

		30.6.02		30.6.01	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	4		1,450,000		1,450,000
Investments	5		<u>41,098</u>		<u>58,778</u>
			1,491,098		1,508,778
<b>CURRENT ASSETS:</b>					
Debtors	6	65,409		28,397	
Cash at bank and in hand		<u>31,541</u>		<u>218,324</u>	
		96,950		246,721	
<b>CREDITORS:</b> Amounts falling due within one year	7	<u>52,088</u>		<u>44,229</u>	
<b>NET CURRENT ASSETS:</b>			<u>44,862</u>		<u>202,492</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			1,535,960		1,711,270
<b>CREDITORS:</b> Amounts falling due after more than one year	8		<u>401,100</u>		<u>401,100</u>
			<u>£1,134,860</u>		<u>£1,310,170</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	10		56,800		56,800
Revaluation reserve	11		925,013		925,013
Profit and loss account			<u>153,047</u>		<u>328,357</u>
<b>SHAREHOLDERS' FUNDS:</b>			<u>£1,134,860</u>		<u>£1,310,170</u>

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

ON BEHALF OF THE BOARD:



M Finnesey - DIRECTOR

Approved by the Board on 2 December 2002

The notes form part of these financial statements

# Kandor Holdings Limited

## Notes to the Financial Statements for the Year Ended 30 June 2002

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

Turnover represents rental income, excluding value added tax.

#### Tangible fixed assets

The company maintains the building to a high standard, as a consequence, in the opinion of the directors, difference between the valuation in the financial statements and the residual value after its estimated useful life would be minimal. In these circumstances depreciation has not been provided on the freehold land and buildings.

As permitted by the transitional provisions of the Financial Reporting Standard number 15 the company has elected not to adopt a policy of revaluation of tangible fixed assets. However, it will retain the carrying value of land and buildings, revalued in 2000, and will not update that valuation.

#### Deferred taxation

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

#### Consolidated Financial Statements

The company has taken advantage of the exemptions available, under Section 248 of the Companies Act 1985, from preparing consolidated financial statements.

### 2. OPERATING PROFIT

The operating profit is stated after charging:

	30.6.02	30.6.01
	£	£
Auditors' remuneration	<u>1,420</u>	<u>895</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

### 3. TAXATION

#### Analysis of the tax charge

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

	30.6.02	30.6.01
	£	£
Current tax:		
UK corporation tax	14,143	9,955
Over provision in prior years	<u>(51)</u>	<u>(45)</u>
Total current tax	<u>14,092</u>	<u>9,910</u>
Tax on profit on ordinary activities	<u>14,092</u>	<u>9,910</u>



# Kandor Holdings Limited

## Notes to the Financial Statements for the Year Ended 30 June 2002

### 3. TAXATION - continued

#### Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.02	30.6.01
	£	£
Profit on ordinary activities before tax	<u>159,111</u>	<u>258,674</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.75% (2001 - 20%)	31,424	51,735
Effects of:		
Income received net of tax	(14,611)	(41,870)
Over provision in prior years	51	45
Indexation on chargeable gain	<u>(2,772)</u>	<u>-</u>
Current tax charge	<u>14,092</u>	<u>9,910</u>

### 4. TANGIBLE FIXED ASSETS

	Freehold property
	£
<b>COST OR VALUATION:</b>	
At 1 July 2001 and 30 June 2002	<u>1,450,000</u>
<b>NET BOOK VALUE:</b>	
At 30 June 2002	<u>1,450,000</u>
At 30 June 2001	<u>1,450,000</u>

The company has no foreseeable plans to sell the freehold property and the directors consider its estimated residual value to be in excess of the valuation carried out in 2000. In these circumstances no depreciation on freehold property has been charged as the directors believe they are complying with FRSSE 5.26.

Cost or valuation at 30 June 2002 is represented by:

	Freehold property
	£
Valuation in 2000	925,013
Cost	<u>524,987</u>
	<u>1,450,000</u>

# Kandor Holdings Limited

## Notes to the Financial Statements for the Year Ended 30 June 2002

### 4. TANGIBLE FIXED ASSETS - continued

If the freehold property had not been revalued it would have been included at the following historical cost:

	30.6.02	30.6.01
	£	£
Cost	<u>524,987</u>	<u>524,987</u>

Freehold land and buildings were valued on an open market basis on 25 April 2000 by Chestertons International plc.

### 5. FIXED ASSET INVESTMENTS

	£	
<b>COST:</b>		
At 1 July 2001	64,300	
Disposals	<u>(17,680)</u>	
At 30 June 2002	<u>46,620</u>	
<b>PROVISIONS:</b>		
At 1 July 2001		
and 30 June 2002	<u>5,522</u>	
<b>NET BOOK VALUE:</b>		
At 30 June 2002	<u>41,098</u>	
At 30 June 2001	<u>58,778</u>	
	30.6.02	30.6.01
	£	£
Unlisted investments	41,098	58,778

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

#### Kandor Modelmakers Limited

Nature of business: Architectural modelmakers

	%
Class of shares:	holding
Ordinary	50.85

	30.6.02	30.6.01
	£	£
Aggregate capital and reserves	404,481	305,453
Profit for the year	<u>239,028</u>	<u>251,007</u>

# Kandor Holdings Limited

## Notes to the Financial Statements for the Year Ended 30 June 2002

### 5. FIXED ASSET INVESTMENTS - continued

#### Kandor Relief Mapping Systems Limited

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

	30.6.02	30.6.01
	£	£
Aggregate capital and reserves	<u>4,478</u>	<u>4,478</u>

#### Berry Place Models Limited

Nature of business: Modelmakers

	%
Class of shares:	holding
Ordinary	75.00

	30.6.02	30.6.01
	£	£
Aggregate capital and reserves	47,301	44,921
Profit for the year	<u>5,380</u>	<u>8,594</u>

### 6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.02	30.6.01
	£	£
V.A.T.	240	-
Other debtors	25,000	-
Prepayments	2,322	2,088
Owed by subsidiary companies	<u>37,847</u>	<u>26,309</u>
	<u>65,409</u>	<u>28,397</u>

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.02	30.6.01
	£	£
Owed to subsidiary company	8,621	5,000
Taxation	14,143	9,955
Other creditors	16,128	16,128
Accrued expenses	<u>13,196</u>	<u>13,146</u>
	<u>52,088</u>	<u>44,229</u>

### 8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.02	30.6.01
	£	£
Mortgage loan	<u>401,100</u>	<u>401,100</u>

# Kandor Holdings Limited

## Notes to the Financial Statements for the Year Ended 30 June 2002

### 9. SECURED DEBTS

The following secured debts are included within creditors:

	30.6.02	30.6.01
	£	£
Mortgage loan	<u>401,100</u>	<u>401,100</u>

### 10. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	30.6.02	30.6.01
			£	£
100,000	Ordinary	£1	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.6.02	30.6.01
			£	£
56,800	Ordinary	£1	<u>56,800</u>	<u>56,800</u>

### 11. REVALUATION RESERVE

	30.6.02	30.6.01
	£	£
Brought forward	<u>925,013</u>	<u>925,013</u>

### 12. CONTINGENT LIABILITIES

The company has given the company's bankers, Barclays Bank plc, unlimited guarantees in favour of other companies in the group. At 30 June 2002 the liability outstanding was £26,201 (2001 - £14,662).

### 13. RELATED PARTY DISCLOSURES

During the year under review the company leased premises to Kandor Modelmakers Limited, a subsidiary company, for £112,000 (2001 - £108,000). All transactions took place under normal commercial terms.