

C766 Registrar

1995

KINDTRY LIMITED

Company Number: 1992984

Report and Accounts

for the year ended

31 August 1995



KINDTRY LIMITED

REPORT OF THE DIRECTORS

The Directors submit their Report and Accounts, together with the Auditors' Report thereon, for the year ended 31 August 1995.

Directors Responsibilities in Respect of the Preparation of Accounts

Company law requires the Directors to prepare Accounts 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 Accounts the Directors are required to:

- . select suitable accounting policies and then apply them consistently;
- . make judgments and estimates that are reasonable and prudent;
- . state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Accounts;
- . prepare the Accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for maintaining 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 Accounts comply with the Companies Act. 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.

Principal Activity

The company's principal activity is the operation and management of residential accommodation including all ancillary requirements for the welfare, treatment and care of the occupants.

Business Review

The Profit and Loss Account for the year is set out on page 4. The directors are satisfied with the results for the year, and do not expect any major changes in the future.

Dividends

The Directors do not recommend the payment of a dividend.

Directors

The Directors who served during the year and their beneficial interests in the issued ordinary share capital were as follows:

	31 August 1995	31 August 1994
A.P.R. Noble	33	33
C.W. Northey	33	33
Mrs. J. Pope	33	33

The directors are jointly interested in one share.

KINDTRY LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Taxation Status

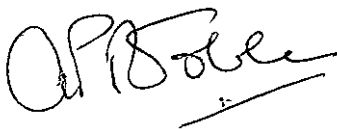
The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

Auditors

Thorne Lancaster have indicated their willingness to continue in office and a resolution proposing their re-appointment as auditors to the company will be put to the members at the Annual General Meeting.

BY ORDER OF THE BOARD

A.P.R. NOBLE



Secretary

The Grange
Manor Road
Goring on Thames
Oxon

10th January 1996

KINDTRY LIMITED

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS OF KINDTRY LIMITED

We have audited the Accounts on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1 the Company's Directors are responsible for the preparation of Accounts. It is our responsibility to form an independent opinion, based on our audit of those Accounts and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with 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 Accounts. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Accounts, 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 Accounts 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 Accounts.

Fundamental Uncertainty

The financial statements are prepared on a going concern basis. This may be inappropriate as the balance sheet indicates the company is technically insolvent. Details of this fundamental uncertainty are given in note 19 to the financial statements. Our opinion is not qualified in this respect.

Opinion

In our opinion these accounts give a true and fair view of the state of the company's affairs at 31 August 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

In our opinion the company is entitled for the year ended 31 August 1995 to the exemptions conferred by Sections 248 and 249 of the Companies Act 1985 from the requirement to prepare Group Financial Statements.

Thorne Lancaster

THORNE LANCASTER

CHARTERED ACCOUNTANTS

REGISTERED AUDITOR

Aldwych House
81 Aldwych
London
WC2B 4HN

16th January 1996

KINDTRY LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 AUGUST 1995

	Note	1995 £	1994 £
Turnover (continuing activities)	1e	544,591	410,710
Cost of sales		(215,121)	(184,399)
Gross Profit		329,470	226,311
Administrative expenses		(296,067)	(81,085)
Operating Profit	2	33,403	145,226
Interest payable and similar charges	3	(32,782)	(20,790)
Profit on Ordinary Activities Before Taxation		621	124,436
Tax on Profit on Ordinary Activities	7	(17,490)	(11,437)
Retained (Loss)/Profit for the year		(16,869)	112,999
Deficit brought forward		(26,730)	(139,729)
Deficit carried forward		(43,599)	(26,730)

There are no recognised gains or losses other than reported in the profit and loss account.

Note: Included in administrative expenses for 1994 is an exceptional item of £126,382. See note 4 of the accounts.

The notes on pages 6 to 9 form an integral part of these Accounts.

KINDTRY LIMITED

BALANCE SHEET AT 31 AUGUST 1995

	Note	£	1995	£	1994	£
Fixed Assets						
Tangible fixed assets	8		35,441		43,974	
Investment	9		<u>100</u>		<u>100</u>	
			35,541		44,074	
Current Assets						
Stock	10	1,390		1,490		
Debtors	11	107,073		118,971		
Cash in hand		<u>10,899</u>		<u>550</u>		
		119,362		121,011		
Creditors: Amounts falling due within one year	12	(198,402)		(191,715)		
Net Current Liabilities			(79,040)		(70,704)	
Total Assets Less Current Liabilities			(43,499)		(26,630)	
Capital and Reserves						
Called up Share Capital	13		100		100	
Profit and Loss Account			(43,599)		(26,730)	
			(43,499)		(26,630)	

Approved by the Board on 10th January 1996

C W NORTHEY)

) DIRECTORS

A P R NOBLE)

[Handwritten signatures and initials over the Directors' names]

The notes on pages 6 to 9 form an integral part of these Accounts.

KINDTRY LIMITED

NOTES TO THE ACCOUNTS
31 AUGUST 1995

1. Accounting Policies

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement, on the grounds that it is a small company.

(a) Basis of Accounting

The accounts are prepared under the historical cost convention and comply with applicable accounting standards.

(b) Depreciation

Tangible fixed assets are depreciated at 25% on the reducing balance basis over their estimated useful economic lives.

(c) Deferred Tax

Deferred tax in respect of timing differences arising is provided under the liability method except where such timing differences are expected, with reasonable probability, to continue in the foreseeable future.

At 31 August 1995 no provision is required.

(d) Stock

Stock is valued at the lower of cost and net realisable value.

(e) Turnover

Turnover represents the total amount receivable in the ordinary course of business in respect of services rendered after deducting discounts given and credit notes issued.

(f) Pensions

The company operated a defined contribution pension scheme, of which contributions are made to a separately administered fund. Contributions to the fund are charged to the profit and loss account when they become payable.

2. The Operating Profit is stated after charging:

Depreciation	11,813	14,658
Auditor's remuneration	5,547	3,500
Directors' emoluments	<u>136,795</u>	<u>60,808</u>

KINDTRY LIMITED

NOTES TO THE ACCOUNTS

31 AUGUST 1995 (CONTINUED)

3. Interest Payable and Similar Charges

	1995	1994
	£	£
Bank overdraft	12,972	14,369
Other Interest	<u>19,810</u>	<u>6,421</u>
	<u>32,782</u>	<u>20,790</u>

4 Exceptional Item

Following negotiations with the Inland Revenue, charges previously debited to the Profit and Loss account have been credited as an Exceptional Item for year ended 31 August 1994. These amounts have now been charged to the directors and are reflected in their current account balance.

5. Staff Costs (including directors)

Wages and salaries	242,404	212,463
Social security costs	<u>20,189</u>	<u>17,571</u>
	262,593	230,034
Pension costs	<u>44,255</u>	<u>25,485</u>
	<u>306,848</u>	<u>255,519</u>

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

	No.	No.
Directors and administration	3	3
Care assistants, kitchen and maintenance	<u>31</u>	<u>22</u>
	<u>34</u>	<u>25</u>

6. Directors' Emoluments

	1995	1994
	£	£
Remuneration	92,540	35,323
Pension Contributions	<u>44,255</u>	<u>25,485</u>
	<u>136,795</u>	<u>60,808</u>

	£	£
Chairman	<u>30,631</u>	<u>11,575</u>

Highest paid director	<u>38,371</u>	<u>12,774</u>
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Other directors:	No.	No.
10,001 - 15,000	-	1
25,001 - 30,000	<u>1</u>	<u>-</u>

7. Tax on Ordinary Activities

United Kingdom Corporation		
tax payable - 25% (1994 - 25%)	6,331	1,000
Underprovision in prior years	<u>11,159</u>	<u>10,437</u>
	<u>17,490</u>	<u>11,437</u>

KINDTRY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)

31 AUGUST 1995

8. Tangible Fixed Assets

	Improvements to property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost				
At 1 September 1994	115,273	28,443	65,482	209,198
Additions	-	-	3,280	3,280
At 31 August 1995	<u>115,273</u>	<u>28,443</u>	<u>68,762</u>	<u>212,478</u>
Depreciation				
At 1 September 1994	96,125	20,221	48,878	165,224
Charge for the year	4,787	2,055	4,971	11,813
At 31 August 1995	<u>100,912</u>	<u>22,276</u>	<u>53,849</u>	<u>177,037</u>
Net Book Value				
At 31 August 1995	<u>14,361</u>	<u>6,167</u>	<u>14,913</u>	<u>35,441</u>
At 31 August 1994	<u>19,148</u>	<u>8,222</u>	<u>16,604</u>	<u>43,974</u>

9. Investment

The company owns the entire share capital of Dareglory Limited made up of 100 £1 Ordinary Shares. The company is registered in England and Wales and its principal business is that of property development.

	1995 £	1994 £
10. Stock		
Raw materials and consumables	<u>1,390</u>	<u>1,490</u>
11. Debtors		
Trade debtors	-	3,200
Amounts due from subsidiary undertaking	89,962	89,815
Directors' current accounts	10,958	20,773
Other debtors	<u>6,153</u>	<u>5,183</u>
	<u>107,073</u>	<u>118,971</u>
12. Creditors		
Bank overdraft	107,655	146,428
Corporation tax	16,490	1,000
Other taxes and social security costs	10,452	15,368
Fees received in advance	11,225	11,717
Other creditors	6,298	-
Accruals and deferred income	<u>46,282</u>	<u>17,202</u>
	<u>198,402</u>	<u>191,715</u>

The bank overdraft is secured by a debenture over the assets of the company.

KINDTRY LIMITED

NOTES TO THE ACCOUNTS (CONTINUED)
31 AUGUST 1995

	1995 £	1994 £
13. Called up Share Capital		
Authorised: 100,000 ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Issued and fully paid: 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

14. Capital Commitments

There were no capital commitments at 31 August 1995.

15. Transactions with Directors

The property from which the company trades is owned by the directors who charged rents amounting to £78,000 (1994 : £78,000) in respect thereof.

	1995 £	1994 £
16. Reconciliation of Movements in Shareholders Funds		
(Loss)/Profit for the financial year	(16,869)	112,999
Opening Shareholders funds	(26,630)	(139,629)
Closing Shareholders funds	(43,499)	(26,630)

17. Group Accounts

Under the provisions of the Companies Act 1985 the company has taken advantage of the exemption to prepare group accounts on the basis that it is a small sized group.

18. Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £44,255 (1994: £25,485). There were no outstanding contributions payable at the year-end.

19. Fundamental Uncertainty

The company is currently dependant on the bank and the directors. The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare financial statements on a going concern basis. This assumes the continued support of the bank and the directors. The financial statements do not include any adjustments that would result if the support were not continued.