

**Abbreviated Accounts**  
**for the Year Ended 31 December 2002**  
**for**  
**Klyne & Klyne Limited**



**Klyne & Klyne Limited**

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for the Year Ended 31 December 2002**

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**Klyne & Klyne Limited**  
**Company Information**  
**for the Year Ended 31 December 2002**

**DIRECTORS:** Z Klyne  
Mrs R Klyne

**SECRETARY:** Mrs R Klyne

**REGISTERED OFFICE:** Reedham House  
31 King Street West  
Manchester  
M3 2PJ

**REGISTERED NUMBER:** 2349548 (England and Wales)

**AUDITORS:** Freedman Frankl & Taylor  
Registered Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

**Klyne & Klyne Limited**  
**Report of the Directors**  
**for the Year Ended 31 December 2002**

The directors present their report with the financial statements of the company for the year ended 31 December 2002.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of general merchants.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

**DIVIDENDS**

An interim dividend of £2,000 per share on the ordinary £1 shares was paid on 31 December 2002. The directors recommend no final dividend be paid on these shares.

Certain shareholders have waived their right to dividends amounting to £170,000, therefore, total distribution of dividends for the year ended 31 December 2002 will be £30,000.

**FIXED ASSETS**

Movements on fixed assets are shown in note 9 to the financial statements. The directors believe that the market value of the freehold property does not materially differ from its carrying value as shown in note 9 to the financial statements.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors during the year under review were:

Z Klyne  
Mrs R Klyne

The beneficial interests of the directors holding office on 31 December 2002 in the issued share capital of the company were as follows:

	31.12.02	1.1.02
<b>Ordinary £1 shares</b>		
Z Klyne	75	75
Mrs R Klyne	10	10

**CHARITABLE DONATIONS**

During the year the company paid £10,000 (2001 - £68,700) in charitable donations.

**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.

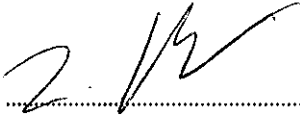
**Klyne & Klyne Limited**

**Report of the Directors  
for the Year Ended 31 December 2002**

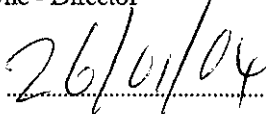
**AUDITORS**

The auditors, Freedman Frankl & Taylor, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

**ON BEHALF OF THE BOARD:**

  
.....

Z Klyne - Director

Date:   
.....

**Report of the Independent Auditors to  
Klyne & Klyne Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages five to seventeen, together with the full financial statements of the company for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

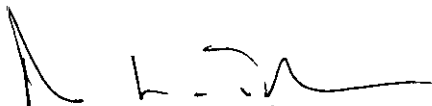
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages five to seventeen are properly prepared in accordance with that provision.



Freedman Frankl & Taylor  
Registered Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

Date: 2011-04

Klyne & Klyne Limited

Abbreviated Profit and Loss Account  
for the Year Ended 31 December 2002

		2002		2001	
	Notes	£	£	£	£
<b>GROSS PROFIT</b>			2,226,601		1,322,377
Distribution costs		102,157		77,212	
Administrative expenses		1,759,598		933,189	
			1,861,755		1,010,401
<b>OPERATING PROFIT</b>	3		364,846		311,976
Investment and loans to subsidiary undertaking written off	4		1,721		31,000
			363,125		280,976
Interest receivable and similar income			33,296		6,251
			396,421		287,227
Interest payable and similar charges	5		176,400		64,781
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			220,021		222,446
Tax on profit on ordinary activities	6		71,841		21,327
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			148,180		201,119
Dividends	7		30,000		30,000
			118,180		171,119
Retained profit brought forward			302,837		131,718
<b>RETAINED PROFIT CARRIED FORWARD</b>			<u>£421,017</u>		<u>£302,837</u>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

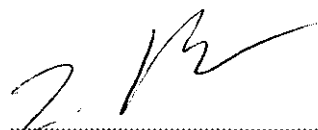
Klyne & Klyne Limited

Abbreviated Balance Sheet  
31 December 2002

		2002		2001	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	8		3,333,647		3,138,903
Investments	9		-		100
			<u>3,333,647</u>		<u>3,139,003</u>
<b>CURRENT ASSETS:</b>					
Stocks	10	1,119,111		570,364	
Debtors	11	951,635		753,204	
Cash at bank and in hand		416		5,239	
		<u>2,071,162</u>		<u>1,328,807</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>2,405,230</u>		<u>1,628,066</u>	
<b>NET CURRENT LIABILITIES:</b>			<u>(334,068)</u>		<u>(299,259)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			2,999,579		2,839,744
<b>CREDITORS: Amounts falling due after more than one year</b>	13		(2,553,179)		(2,530,408)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	17		<u>(25,283)</u>		<u>(6,399)</u>
			<u><u>£421,117</u></u>		<u><u>£302,937</u></u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	18		100		100
Profit and loss account			421,017		302,837
<b>SHAREHOLDERS' FUNDS:</b>	21		<u><u>£421,117</u></u>		<u><u>£302,937</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



Z Klyne - Director

Approved by the Board on 26/01/04

The notes form part of these abbreviated accounts



**Klyne & Klyne Limited**  
**Cash Flow Statement**  
**for the Year Ended 31 December 2002**

		2002		2001	
	Notes	£	£	£	£
<b>Net cash inflow from operating activities</b>	1		174,334		735,876
<b>Returns on investments and servicing of finance</b>	2		(143,104)		(58,530)
<b>Taxation</b>			(20,205)		(13,656)
<b>Capital expenditure</b>	2		(171,511)		(2,967,761)
<b>Equity dividends paid</b>			(30,000)		(30,000)
			<u>(190,486)</u>		<u>(2,334,071)</u>
<b>Financing</b>	2		166,467		2,408,081
<b>(Decrease)/Increase in cash in the period</b>			<u><u>£(24,019)</u></u>		<u><u>£74,010</u></u>
<hr/>					
<b>Reconciliation of net cash flow to movement in net debt</b>	3				
<b>(Decrease)/Increase in cash in the period</b>			(24,019)		74,009
Cash inflow from increase in debt and lease financing			<u>(166,467)</u>		<u>(2,408,081)</u>
Change in net debt resulting from cash flows			(190,486)		(2,334,072)
New finance leases			<u>(172,272)</u>		<u>(36,500)</u>
<b>Movement in net debt in the period</b>			<u>(362,758)</u>		<u>(2,370,572)</u>
<b>Net debt at 1 January</b>			<u>(2,741,849)</u>		<u>(371,277)</u>
<b>Net debt at 31 December</b>			<u><u>£(3,104,607)</u></u>		<u><u>£(2,741,849)</u></u>

The notes form part of these abbreviated accounts

Klyne & Klyne Limited

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2002

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating profit	364,846	311,976
Depreciation charges	132,114	48,809
Loss on sale of fixed assets	16,925	12,456
(Increase)/Decrease in stocks	(548,747)	120,420
Increase in debtors	(198,431)	(462,802)
Increase in creditors	409,248	736,017
Exceptional items	(1,621)	(31,000)
<b>Net cash inflow from operating activities</b>	<u>174,334</u>	<u>735,876</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2002 £	2001 £
<b>Returns on investments and servicing of finance</b>		
Interest received	33,296	6,251
Interest paid	(169,923)	(61,489)
Interest element of hire purchase payments	(6,477)	(3,292)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u>(143,104)</u>	<u>(58,530)</u>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(171,511)	(2,981,261)
Sale of tangible fixed assets	-	13,500
<b>Net cash outflow for capital expenditure</b>	<u>(171,511)</u>	<u>(2,967,761)</u>
<b>Financing</b>		
New loan taken out in year	23,787	2,400,000
Hire purchase repayments	(30,077)	(20,137)
Amount introduced by directors	172,757	28,218
<b>Net cash inflow from financing</b>	<u>166,467</u>	<u>2,408,081</u>

Klyne & Klyne Limited

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2002

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.02 £	Cash flow £	Other non-cash changes £	At 31.12.02 £
Net cash:				
Cash at bank and in hand	5,239	(4,823)		416
Bank overdrafts	(280,117)	(19,196)		(299,313)
	<u>(274,878)</u>	<u>(24,019)</u>		<u>(298,897)</u>
Debt:				
Hire purchase	(37,688)	30,077	(172,272)	(179,883)
Debts falling due within one year	(29,283)	(344,107)	-	(373,390)
Debts falling due after one year	(2,400,000)	147,563	-	(2,252,437)
	<u>(2,466,971)</u>	<u>(166,467)</u>	<u>(172,272)</u>	<u>(2,805,710)</u>
Total	<u>(2,741,849)</u>	<u>(190,486)</u>	<u>(172,272)</u>	<u>(3,104,607)</u>

Analysed in Balance Sheet

Cash at bank and in hand	5,239	416
Bank overdrafts	(280,117)	(299,313)
Hire purchase		
within one year	(18,580)	(50,441)
after one year	(19,108)	(129,442)
Debts falling due within one year	(29,283)	(373,390)
Debts falling due after one year	(2,400,000)	(2,252,437)
	<u>(2,741,849)</u>	<u>(3,104,607)</u>

# Klyne & Klyne Limited

## Notes to the Abbreviated Accounts for the Year Ended 31 December 2002

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- The period of the lease
Fixtures fittings and equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

#### Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

#### Deferred tax

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

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### Hire purchase and leasing commitments

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over their useful lives. The finance charges are allocated over the primary period of the lease in proportion to the capital element outstanding.

Amounts payable under operating leases are charged to the profit and loss account in the period in which they are incurred.

#### Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

### 2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	803,032	344,396
Other pension costs	26,300	26,300
	<u>829,332</u>	<u>370,696</u>

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

	2002	2001
Senior management and administration	13	10
Warehouse	11	4
	<u>24</u>	<u>14</u>

**Klyne & Klyne Limited**

**Notes to the Abbreviated Accounts  
for the Year Ended 31 December 2002**

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	2002	2001
	£	£
Hire of plant and machinery	19,565	11,771
Depreciation - owned assets	94,824	30,253
Depreciation - assets on hire purchase contracts	37,290	18,556
Loss on disposal of fixed assets	16,925	12,456
Auditors' remuneration	7,000	5,500
Operating lease - land and buildings	<u>157,124</u>	<u>132,525</u>
 Directors' emoluments	 <u>429,893</u>	 <u>176,825</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director for the year ended 31 December 2002 is as follows:

	2002
	£
Emoluments etc	<u>224,693</u>

**4. INVESTMENT AND LOANS WRITTEN OFF**

Loans written off relates to amounts due from subsidiary undertakings not considered recoverable.

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2002	2001
	£	£
Bank interest	7,946	6,350
Bank loan interest	110,587	-
Other charges	43,549	45,870
Interest on corporation tax	50	544
VAT interest	-	81
Other loan interest	7,791	8,644
Hire purchase	<u>6,477</u>	<u>3,292</u>
	<u>176,400</u>	<u>64,781</u>

Klyne & Klyne Limited

Notes to the Abbreviated Accounts  
for the Year Ended 31 December 2002

6. TAXATION

Analysis of the tax charge

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

	2002 £	2001 £
Current tax:		
UK corporation tax	52,957	20,630
Overprovision in taxation in previous years	-	(1,059)
Total current tax	52,957	19,571
Deferred taxation	18,884	1,756
Tax on profit on ordinary activities	<u>71,841</u>	<u>21,327</u>

7. DIVIDENDS

	2002 £	2001 £
Equity shares:		
Interim dividend	<u>30,000</u>	<u>30,000</u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures fittings & equipment £
<b>COST:</b>			
At 1 January 2002	2,941,371	19,088	128,205
Additions	22,951	-	242,749
Disposals	-	(19,088)	-
At 31 December 2002	<u>2,964,322</u>	<u>-</u>	<u>370,954</u>
<b>DEPRECIATION:</b>			
At 1 January 2002	-	5,519	54,934
Charge for year	59,105	-	34,428
Eliminated on disposals	-	(5,519)	-
At 31 December 2002	<u>59,105</u>	<u>-</u>	<u>89,362</u>
<b>NET BOOK VALUE:</b>			
At 31 December 2002	<u>2,905,217</u>	<u>-</u>	<u>281,592</u>
At 31 December 2001	<u>2,941,371</u>	<u>13,569</u>	<u>73,271</u>

Klyne & Klyne Limited

Notes to the Abbreviated Accounts  
for the Year Ended 31 December 2002

8. TANGIBLE FIXED ASSETS - continued

	Motor vehicles	Computer equipment	Totals
	£	£	£
<b>COST:</b>			
At 1 January 2002	194,818	21,918	3,305,400
Additions	14,999	63,084	343,783
Disposals	-	(21,918)	(41,006)
At 31 December 2002	209,817	63,084	3,608,177
<b>DEPRECIATION:</b>			
At 1 January 2002	87,482	18,562	166,497
Charge for year	28,709	9,872	132,114
Eliminated on disposals	-	(18,562)	(24,081)
At 31 December 2002	116,191	9,872	274,530
<b>NET BOOK VALUE:</b>			
At 31 December 2002	93,626	53,212	3,333,647
At 31 December 2001	107,336	3,356	3,138,903

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Fixtures fittings & equipment	Motor vehicles	Computer equipment	Totals
	£	£	£	£
<b>COST:</b>				
At 1 January 2002	-	92,885	-	92,885
Additions	136,000	-	55,708	191,708
Transferred to ownership	-	(24,820)	-	(24,820)
At 31 December 2002	136,000	68,065	55,708	259,773
<b>DEPRECIATION:</b>				
At 1 January 2002	-	23,210	-	23,210
Charge for year	14,637	13,638	9,015	37,290
Transferred to ownership	-	(9,695)	-	(9,695)
At 31 December 2002	14,637	27,153	9,015	50,805
<b>NET BOOK VALUE:</b>				
At 31 December 2002	121,363	40,912	46,693	208,968
At 31 December 2001	-	69,675	-	69,675

# Klyne & Klyne Limited

## Notes to the Abbreviated Accounts for the Year Ended 31 December 2002

### 9. FIXED ASSET INVESTMENTS

<b>COST:</b>	£
At 1 January 2002	100
Disposals	(100)
	<u>—</u>
At 31 December 2002	—
<b>NET BOOK VALUE:</b>	
At 31 December 2002	—
	<u>—</u>
At 31 December 2001	100
	<u>—</u>
	2002
	£
Unlisted investments	—
	<u>—</u>
	2001
	£
	100
	<u>—</u>

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

#### **Classicluxury Limited**

Nature of business: Bakery

Class of shares:	%
Ordinary	holding
	100.00

	2002	2001
	£	£
Aggregate capital and reserves	—	(260,684)
Loss for the year	—	(149,273)
	<u>—</u>	<u>—</u>

The company was dissolved on 2 July 2002.

### 10. STOCKS

	2002	2001
	£	£
Goods for resale	1,119,111	570,364
	<u>—</u>	<u>—</u>

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

	2002	2001
	£	£
Trade debtors	457,213	386,056
Other debtors	374,516	323,884
Prepayments	119,906	43,264
	<u>951,635</u>	<u>753,204</u>



# Klyne & Klyne Limited

## Notes to the Abbreviated Accounts for the Year Ended 31 December 2002

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

	2002 £	2001 £
Bank loans and overdrafts (see note 14)	470,663	280,117
Hire purchase contracts (see note 15)	50,441	18,580
Trade creditors	889,497	451,943
Directors current accounts	202,040	29,283
Other creditors	456,031	748,491
Social security & other taxes	226,693	48,950
Corporation tax	51,796	19,044
Accrued expenses	58,069	31,658
	<u>2,405,230</u>	<u>1,628,066</u>

At 31 December 2002 the balance on the directors current accounts were as follows :-

	£
Z Klyne	101,020
Mrs R Klyne	101,020
	<u>202,040</u>

There are no fixed repayment terms and no interest is chargeable to the company in respect of these balances.

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

	2002 £	2001 £
Bank loans (see note 14)	2,252,437	2,400,000
Other loans	171,300	111,300
Hire purchase contracts (see note 15)	129,442	19,108
	<u>2,553,179</u>	<u>2,530,408</u>

### 14. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2002 £	2001 £
Amounts falling due within one year or on demand:		
Bank overdrafts	299,313	280,117
Bank loans	171,350	-
	<u>470,663</u>	<u>280,117</u>

Amounts falling due between one and two years:

Bank loans	<u>2,252,437</u>	<u>2,400,000</u>
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Klyne & Klyne Limited

Notes to the Abbreviated Accounts  
for the Year Ended 31 December 2002

15. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2002	2001
	£	£
Gross obligations repayable:		
Within one year	57,724	20,792
Between one and five years	147,050	21,493
	<u>204,774</u>	<u>42,285</u>
Finance charges repayable:		
Within one year	7,283	2,212
Between one and five years	17,608	2,385
	<u>24,891</u>	<u>4,597</u>
Net obligations repayable:		
Within one year	50,441	18,580
Between one and five years	129,442	19,108
	<u>179,883</u>	<u>37,688</u>

The following payments are committed to be paid within one year:

	Land and buildings operating leases	
	2002	2001
	£	£
Expiring:		
In more than five years	<u>80,000</u>	<u>80,000</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdrafts	299,313	280,117
Bank loans	2,423,787	2,400,000
Other creditors	237,052	253,191
Hire purchase	179,883	37,687
	<u>3,140,035</u>	<u>2,970,995</u>

17. PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred taxation	<u>25,283</u>	<u>6,399</u>

# Klyne & Klyne Limited

## Notes to the Abbreviated Accounts for the Year Ended 31 December 2002

### 17. PROVISIONS FOR LIABILITIES AND CHARGES - continued

	Deferred tax
Balance at 1 January 2002	£ 6,399
Movements in the year	18,884
Balance at 31 December 2002	<u>25,283</u>

### 18. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2002	2001
1,000	Ordinary	£1	<u>£ 1,000</u>	<u>£ 1,000</u>
Allotted, issued and fully paid: Number:	Class:	Nominal value:	2002	2001
100	Ordinary	£1	<u>£ 100</u>	<u>£ 100</u>

### 19. TRANSACTIONS WITH DIRECTORS

The company's overdraft facility up to £300,000 is secured by the personal guarantees given by the director Z Klyne.

The company's bank loan up to £500,000 plus interest is secured by the personal guarantees given by Mr and Mrs Klyne.

### 20. POST BALANCE SHEET EVENTS

On 1 January 2003, the company became a wholly owned subsidiary of Klyne & Klyne (Holding) Limited, a company incorporated in England and Wales.

### 21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
Profit for the financial year	£ 148,180	£ 201,119
Dividends	(30,000)	(30,000)
<b>Net addition to shareholders' funds</b>	<u>118,180</u>	<u>171,119</u>
Opening shareholders' funds	302,937	131,818
<b>Closing shareholders' funds</b>	<u>421,117</u>	<u>302,937</u>
Equity interests	<u>421,117</u>	<u>302,937</u>

### 22. ULTIMATE CONTROLLING PARTY

The company was controlled throughout the current and previous year by Z Klyne Esq by virtue of his 75% holding of the ordinary shares of the company.