

Registered number: 4435534

BNI Kent Limited

**Director's report and unaudited financial statements
For the year ended 31 July 2004**



BNI Kent Limited

Company information

Director

R W French

Secretary

Reeves & Neylan Services Limited

Company number

4435534

Registered office

Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

Accountants

Reeves & Neylan
Chartered Accountants
Montague Place
Quayside
Chatham Maritime
Chatham
Kent
ME4 4QU

BNI Kent Limited

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BNI Kent Limited

**Director's report
For the year ended 31 July 2004**

The director presents his report and the financial statements for the year ended 31 July 2004.

Principal activities

The company's principal activity is the provision of marketing services.

The company commenced trading on 1 September 2002 and the comparative figures cover the period from the commencement of trading to 31 July 2003.

Director

The director who served during the year and his beneficial interest in the company's issued share capital was:

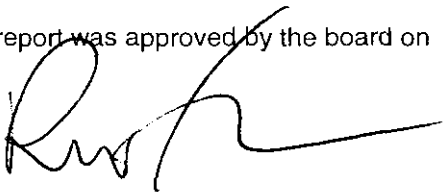
	Ordinary shares of £1 each	
	<u>31/7/04</u>	<u>1/8/03</u>
R W French	1	1

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

This report was approved by the board on

L1/4/05

and signed on its behalf.



R W French
Director

**Chartered accountants' report to the director
on the unaudited financial statements of BNI Kent Limited**

In accordance with the engagement letter dated 23 February 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's director, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's director that we have done so, and state those matters that we have agreed to state to them in this 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 and the Company's director, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet for the year ended 31 July 2004 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

A handwritten signature in black ink, appearing to read 'Reeves & Neylan', with a long, sweeping horizontal line extending to the right.

Reeves & Neylan
Chartered Accountants
Chatham Maritime

26 April 2005

BNI Kent Limited

**Profit and loss account
For the year ended 31 July 2004**

	Note	Year ended 31 July 2004 £	Period ended 31 July 2003 £
Turnover	1	256,674	130,873
Cost of sales		(121,379)	(97,267)
Gross profit		135,295	33,606
Administrative expenses		(83,080)	(62,579)
Operating profit/(loss)	2	52,215	(28,973)
Interest receivable		1,007	-
Profit/(loss) on ordinary activities before taxation		53,222	(28,973)
Tax on profit/(loss) on ordinary activities	4	(7,601)	-
Profit/(loss) on ordinary activities after taxation		45,621	(28,973)
Dividends		(16,176)	-
Retained profit/(loss) for the financial year	10	29,445	(28,973)

The notes on pages 5 to 8 form part of these financial statements.

BNI Kent Limited

**Balance sheet
As at 31 July 2004**

	Note	£	31 July 2004 £	£	31 July 2003 £
Fixed assets					
Intangible fixed assets	5		110,075		117,375
Tangible fixed assets	6		149		203
			<u>110,224</u>		<u>117,578</u>
Current assets					
Stocks		600		750	
Debtors	7	48,760		433	
Cash at bank and in hand		48,228		6,686	
		<u>97,588</u>		<u>7,869</u>	
Creditors: amounts falling due within one year	8	(207,339)		(154,419)	
Net current liabilities			<u>(109,751)</u>		<u>(146,550)</u>
Total assets less current liabilities			<u>473</u>		<u>(28,972)</u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss account	10		472		(28,973)
Shareholders' funds			<u>473</u>		<u>(28,972)</u>

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2004 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the board on 21/10/05 and signed on its behalf.


R W French
Director

The notes on pages 5 to 8 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 July 2004**

1. Accounting policies

1.1 Basis of preparation of financial statements

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).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life of 20 years.

Franchises are also amortised to the profit and loss account over their economic life of 5 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Office equipment	-	20% straight line
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1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	Year ended 31 July 2004	Period ended 31 July 2003
	£	£
Amortisation	7,300	9,125
Depreciation of tangible fixed assets:		
- owned by the company	54	69
	<u>7,354</u>	<u>9,194</u>

3. Director's remuneration

	Year ended 31 July 2004	Period ended 31 July 2003
	£	£
Aggregate emoluments	33,060	-
	<u>33,060</u>	<u>-</u>

BNI Kent Limited

Notes to the financial statements For the year ended 31 July 2004

4. Taxation

	Year ended 31 July 2004 £	Period ended 31 July 2003 £
UK corporation tax charge on profits of the year	<u>7,601</u>	<u>-</u>

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK applicable to the company.

There were no factors that may affect future tax charges.

5. Intangible fixed assets

	Goodwill £	Franchises £	Total £
Cost			
At 1 August 2003 and 31 July 2004	<u>120,000</u>	<u>6,500</u>	<u>126,500</u>
Amortisation			
At 1 August 2003	7,500	1,625	9,125
Charge for the year	6,000	1,300	7,300
At 31 July 2004	<u>13,500</u>	<u>2,925</u>	<u>16,425</u>
Net book value			
At 31 July 2004	<u>106,500</u>	<u>3,575</u>	<u>110,075</u>
At 31 July 2003	<u>112,500</u>	<u>4,875</u>	<u>117,375</u>

6. Tangible fixed assets

	Office equipment £
Cost	
At 1 August 2003 and 31 July 2004	<u>272</u>
Depreciation	
At 1 August 2003	69
Charge for the year	54
At 31 July 2004	<u>123</u>
Net book value	
At 31 July 2004	<u>149</u>
At 31 July 2003	<u>203</u>

BNI Kent Limited

Notes to the financial statements For the year ended 31 July 2004

7. Debtors

	2004 £	2003 £
Due within one year		
Trade debtors	1,200	-
Other debtors	47,560	433
	<u>48,760</u>	<u>433</u>

Included within other debtors due within one year is a loan to R W French, a director, amounting to £17,329 (2003 - £nil). The maximum amount outstanding during the year was £32,713.

8. Creditors: Amounts falling due within one year

	2004 £	2003 £
Trade creditors	10,775	3,629
Corporation tax	7,601	-
Social security and other taxes	7,077	7,578
Other creditors	181,886	143,212
	<u>207,339</u>	<u>154,419</u>

9. Share capital

	2004 £	2003 £
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	1	1

10. Reserves

Profit and loss account	£
At 1 August 2003	(28,973)
Profit retained for the year	29,445
	<u>472</u>
At 31 July 2004	

11. Transactions with directors

As at 31 July 2004, Mr R W French had a director's loan account due from the company of £17,329. Interest has been charged on this amount at 5% per annum on the outstanding balance on a daily basis. The overdrawn balance has been cleared since the balance sheet date.

BNI Kent Limited

**Notes to the financial statements
For the year ended 31 July 2004**

12. Related party transactions

During the year, the company traded with BNI DT, a business in which Mr R W French is a partner.

The company received goods and services to the value of £15,371 and paid for goods and services to the value of £15,587 from BNI DT during the year to 31 July 2004.

The balance due to BNI DT at 31 July 2004 amounted to £18,715, and is included within current liabilities in the balance sheet.

All transactions were undertaken at arm's length.

13. Controlling party

The company was under the control of Mr R W French throughout the current period by virtue of the fact that he owns 100% of the company's issued share capital.

BNI Kent Limited

**Detailed trading and profit and loss account
For the year ended 31 July 2004**

		Year ended 31 July 2004	Period ended 31 July 2003
	Page	£	£
Turnover	10	256,674	130,873
Cost of sales	10	(121,379)	(97,267)
Gross profit		135,295	33,606
		52.7 %	25.7 %
Less: Overheads			
Administration expenses	10	(83,080)	(62,579)
Operating profit/(loss)		52,215	(28,973)
Interest receivable	11	1,007	-
Profit/(loss) for the year		53,222	(28,973)

BNI Kent Limited

**Schedule to the detailed accounts
For the year ended 31 July 2004**

	Year ended 31 July 2004 £	Period ended 31 July 2003 £
Turnover		
Fees	247,750	124,378
Sales	8,924	6,495
	<u>256,674</u>	<u>130,873</u>
	Year ended 31 July 2004 £	Period ended 31 July 2003 £
Cost of sales		
Opening stocks	750	-
Commission	20,857	42,770
Directors remuneration	33,060	-
Royalties	57,560	47,851
Chapter supplies	4,562	3,980
Training	5,190	3,416
Closing stock	(600)	(750)
	<u>121,379</u>	<u>97,267</u>
	Year ended 31 July 2004 £	Period ended 31 July 2003 £
Administration expenses		
Staff salaries	17,738	10,730
Rent	1,418	1,365
Rates	816	864
Mileage payments	2,018	346
Consultancy	189	-
Advertising and promotion	14,869	9,670
Computer costs	911	1,040
Printing and stationery	7,946	4,088
Postage	2,961	1,847
Telephone and fax	1,137	1,682
Trade subscriptions	215	-
Equipment hire	783	1,037
Hotels, travel and subsistence	1,255	275
Insurances	292	8
Cleaning	388	243
General office expenses	2,346	304
Bank charges	2,377	421
Legal and professional	12,152	16,250
Accountancy	5,828	3,215
Repairs and maintenance	87	-
Amortisation	7,300	9,125
Depreciation	54	69
	<u>83,080</u>	<u>62,579</u>

BNI Kent Limited

**Schedule to the detailed accounts
For the year ended 31 July 2004**

	Year ended 31 July 2004 £	Period ended 31 July 2003 £
Interest receivable		
Bank interest receivable	215	-
Other interest receivable	792	-
	<hr/>	<hr/>
	1,007	-
	<hr/>	<hr/>