

Company Registration No. 5085780 (England and Wales)

DESAI PROPERTY INVESTMENT LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

**REGISTRAR'S COPY
OF ACCOUNTS**

Cavendish
Chartered Certified Accountants
61 Chandos Place
London
WC2N 4HG

Reference 5776



DESAI PROPERTY INVESTMENT LIMITED

COMPANY INFORMATION

Director	S Desai
Secretary	M Aguado
Company number	5085780
Registered office	61 Chandos Place London WC2N 4HG
Auditors	Cavendish Chartered Certified Accountants 61 Chandos Place London WC2N 4HG

DESAI PROPERTY INVESTMENT LIMITED

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DESAI PROPERTY INVESTMENT LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2007

The director presents his report and financial statements for the year ended 31 March 2007

Principal activities

The principal activity of the company was that of property dealing and investment

Director

The following director has held office since 1 April 2006

S Desai

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Cavendish be reappointed as auditors of the company will be put to the Annual General Meeting

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 director is 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 director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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

Statement of disclosure to auditors

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

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

S Desai
Director

14 March 2008

DESAI PROPERTY INVESTMENT LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF DESAI PROPERTY INVESTMENT LIMITED

We have audited the financial statements of DESAI PROPERTY INVESTMENT LIMITED for the year ended 31 March 2007 set out on pages 4 to 7. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 director's remuneration and other transactions is not disclosed.

We read the director's report 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 International Standards on Auditing (UK and Ireland) 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 director 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.

DESAI PROPERTY INVESTMENT LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF DESAI PROPERTY INVESTMENT LIMITED

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2007 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985



Cavendish

17 March 2008

Chartered Certified Accountants

Registered Auditor

61 Chandos Place
London
WC2N 4HG

DESAI PROPERTY INVESTMENT LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2007

	Notes	2007 £	2006 £
Turnover		595,000	-
Cost of sales		(537,795)	-
Gross profit		57,205	-
Administrative expenses		(37,363)	(15,556)
Operating profit/(loss)		19,842	(15,556)
Interest payable and similar charges		(238,381)	(139,699)
Loss on ordinary activities before taxation		(218,539)	(155,255)
Tax on loss on ordinary activities	2	-	-
Loss for the year	7	(218,539)	(155,255)

DESAI PROPERTY INVESTMENT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
Current assets					
Stocks		3,227,019		2,086,361	
Debtors	3	285,713		2,000	
Cash at bank and in hand		1,124		3,724	
		<u>3,513,856</u>		<u>2,092,085</u>	
Creditors: amounts falling due within one year	4	<u>(72,967)</u>		<u>(229,898)</u>	
Total assets less current liabilities			3,440,889		1,862,187
Creditors: amounts falling due after more than one year	5		(3,860,642)		(2,063,401)
			<u>(419,753)</u>		<u>(201,214)</u>
Capital and reserves					
Called up share capital	6		2		2
Profit and loss account	7		(419,755)		(201,216)
Shareholders' funds			<u>(419,753)</u>		<u>(201,214)</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 January 2005)

Approved by the Board for issue on 14 March 2008

S Desai
Director

DESAI PROPERTY INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

As at 31 March 2007, the company had net liabilities of £419,753 and has incurred a loss of £218,539 for the year then ended. The director has confirmed that he will continue to provide ongoing financial support to enable the company to meet its liabilities as they fall due for the foreseeable future. On this basis, the director considers it is appropriate to prepare the financial statements on the going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents the sale of properties.

2 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

3 Debtors	2007 £	2006 £
Other debtors	285,713	2,000

4 Creditors amounts falling due within one year	2007 £	2006 £
Other creditors	72,967	229,898

DESAI PROPERTY INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2007

5	Creditors amounts falling due after more than one year	2007 £	2006 £
	Bank loans (secured)	3,366,114	1,500,494
	Other loans	494,528	562,907
		<u>3,860,642</u>	<u>2,063,401</u>
	Analysis of loans		
	Wholly repayable within five years	<u>3,860,642</u>	<u>2,063,401</u>

The bank loans are secured by first legal charges over the property stocks and personal guarantees from the director, S Desai

6	Share capital	2007 £	2006 £
	Authorised		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

7	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 April 2006	(201,216)
	Loss for the year	<u>(218,539)</u>
	Balance at 31 March 2007	<u>(419,755)</u>

8 Control

The company is controlled by S Desai, by virtue of his shareholdings and directorship