

Kadar Developments Limited
UNAUDITED FINANCIAL STATEMENTS
for the year ended
24 March 2014



Kadar Developments Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

D G Goldberg
S Goldberg
M E Joseph
D I Wheeler

SECRETARY

D I Wheeler

REGISTERED OFFICE

WestPoint
78 Queens Road
Clifton
Bristol
BS8 1QU

BANKERS

Barclays Bank Plc
50 Cornwall Street
Plymouth
Devon
PL1 1LU

Kadar Developments Limited

DIRECTORS' REPORT

The directors submit their report and unaudited financial statements of Kadar Developments Limited for the year ended 24 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was property investment.

DIRECTORS

The directors who served the company during the year were as follows:

D G Goldberg
S Goldberg
M E Joseph
D I Wheeler

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



D I Wheeler
Director

5-9-2014

Kadar Developments Limited
UNAUDITED PROFIT AND LOSS ACCOUNT
for the year ended 24 March 2014

		2014	2013
	<i>Notes</i>	£	£
TURNOVER		304,302	292,891
Administrative expenses		(280,177)	(236,918)
Other operating income	2	—	910
OPERATING PROFIT	3	24,125	56,883
Income from participating interests	5	(9,711)	(31,350)
Interest receivable		38,451	5,962
Amounts written off investments	6	(8,947)	(12,428)
		43,918	19,067
Interest payable and similar charges		(25,365)	(25,365)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		18,553	(6,298)
Taxation	7	(7,560)	4,337
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	15	10,993	(1,961)

Kadar Developments Limited
UNAUDITED BALANCE SHEET
24 March 2014

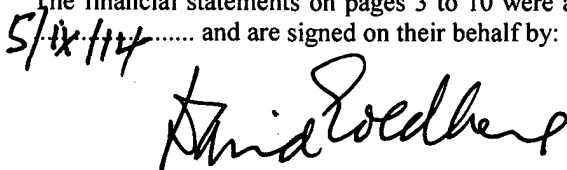
	<i>Notes</i>	2014 £	2013 £
FIXED ASSETS			
Tangible assets	9	3,324,973	3,325,590
Investments	10	682,879	656,309
		<u>4,007,852</u>	<u>3,981,899</u>
CURRENT ASSETS			
Debtors	11	568,254	565,948
Cash at bank and in hand		292,667	393,507
		<u>860,921</u>	<u>959,455</u>
CREDITORS			
Amounts falling due within one year	12	(274,174)	(277,748)
NET CURRENT ASSETS		<u>586,747</u>	<u>681,707</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,594,599</u>	<u>4,663,606</u>
CAPITAL AND RESERVES			
Called up share capital	14	1,000	1,000
Revaluation reserve	15	2,451,466	2,451,466
Other reserves	15	500	500
Profit and loss account	15	2,141,633	2,210,640
SHAREHOLDER'S FUNDS		<u>4,594,599</u>	<u>4,663,606</u>

For the year ended 24 March 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies and its members have not required the company to have an audit of its financial statements for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 3 to 10 were approved by the board of directors and authorised for issue on 5/11/14 and are signed on their behalf by:



D G Goldberg
 Director

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

1 ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

TURNOVER

The turnover shown in the profit and loss account represents rents receivable during the year.

FIXED ASSETS

All fixed assets are initially recorded at cost.

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- over 3 or 4 years straight line
Motor vehicles	- 25% on reducing balance

In accordance with SSAP 19, no depreciation is provided in respect of investment properties. This represents a departure from Companies Act 2006 requirements to provide for the systematic annual depreciation of fixed assets. The directors believe that the policy of not providing for depreciation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes to the current value, are of prime importance rather than a calculation of annual depreciation because the properties are held for investment.

INVESTMENT PROPERTIES

Investment properties are accounted for in accordance with SSAP 19 and stated at open market value. Any surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

PENSION COSTS

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

1 ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ASSOCIATED UNDERTAKINGS

Undertakings in which the company has a participating interest and over which it exerts significant influence are defined as associated undertakings. The financial statements include the appropriate share of the results and reserves of these undertakings using the equity method.

INVESTMENTS

- Listed fixed asset investments are stated at the quoted mid-market price. Investments in subsidiary undertakings are stated at cost less, where applicable, provision for diminution in value.

2 OTHER OPERATING INCOME

	2014	2013
	£	£
Commission receivable	<u>—</u>	<u>910</u>

3 OPERATING PROFIT

Operating profit is stated after charging:

	2014	2013
	£	£
Staff pension contributions	3,308	—
Depreciation of owned fixed assets	<u>617</u>	<u>758</u>

4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Aggregate remuneration	134,684	123,930
Value of company pension contributions to money purchase schemes	<u>10,576</u>	<u>596</u>
	<u>145,260</u>	<u>124,526</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2014	2013
	No	No
Money purchase schemes	<u>1</u>	<u>1</u>

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

5 INCOME FROM PARTICIPATING INTERESTS

	2014 £	2013 £
Share of loss of associated undertaking	<u>(9,711)</u>	<u>(31,350)</u>

6 AMOUNTS WRITTEN OFF INVESTMENTS

	2014 £	2013 £
Amount written off investments	<u>8,947</u>	<u>12,428</u>

7 TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2014 £	2013 £
Current tax:		
UK Corporation tax based on the results for the year at –% (2013 - 20%)	7,578	1,598
Over provision in prior year	<u>(18)</u>	<u>(5,935)</u>
Total current tax	<u>7,560</u>	<u>(4,337)</u>

8 DIVIDENDS

Equity dividends

	2014 £	2013 £
Equity dividends on ordinary shares £80.00 (2013: £80.00)	<u>80,000</u>	<u>80,000</u>

9 TANGIBLE FIXED ASSETS

	Investment properties £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation				
At 25 March 2013 and 24 March 2014	<u>3,323,568</u>	<u>2,775</u>	<u>11,600</u>	<u>3,337,943</u>
Depreciation				
At 25 March 2013	–	2,301	10,052	12,353
Charge for the year	–	230	387	617
At 24 March 2014	<u>–</u>	<u>2,531</u>	<u>10,439</u>	<u>12,970</u>
Net book value				
At 24 March 2014	<u>3,323,568</u>	<u>244</u>	<u>1,161</u>	<u>3,324,973</u>
At 24 March 2013	<u>3,323,568</u>	<u>474</u>	<u>1,548</u>	<u>3,325,590</u>

The freehold land and buildings are leased to third parties. They were valued at open market value on 20 February 2007 by the professional valuers, King Sturge, and were revalued at open market value on 24 March 2012 by the directors. Corporation tax that would be payable if the revalued assets above were sold at their revalued amounts is £378,896 (2013: £381,490).

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2014 £	2013 £
Historical cost	<u>872,102</u>	<u>872,102</u>

10 INVESTMENTS

	Investment in group undertaking £	Listed investments £	Total £
Cost			
At 25 March 2013	-	605,535	605,535
Additions	-	243,191	243,191
Disposals	-	(195,246)	(195,246)
At 24 March 2014	<u>-</u>	<u>653,480</u>	<u>653,480</u>
Amounts written off			
Written off in year	-	21,375	21,375
At 24 March 2014	<u>-</u>	<u>21,375</u>	<u>21,375</u>
Loans			
At 25 March 2013 and 24 March 2014	<u>50,774</u>	<u>-</u>	<u>50,774</u>
Net book value			
At 24 March 2014	<u>50,774</u>	<u>632,105</u>	<u>682,879</u>
At 24 March 2013	<u>50,774</u>	<u>605,535</u>	<u>656,309</u>

Listed investments

Listed investments having a net book value of £653,660 (2013 - £617,963) are held by the company and had a market value of £632,105 at the end of the year (2013 - £605,535).

The investment in the group undertaking represents the capital which the company has introduced to the Tychon Partnership, a limited partnership, registered in England, in which the company is a general partner. The Tychon Partnership's principal activities are to deal in, refurbish and develop property. In the year to 24 March 2013 The Tychon Partnership made a loss of £9,711 (2013: £31,350) and its net assets at that date were £330,153 (2013: £333,120).

11 DEBTORS

	2014 £	2013 £
Trade debtors	14,295	11,243
Amounts owed by group undertakings	534,097	537,063
Corporation tax repayable	-	4,337
Other debtors	19,862	13,305
	<u>568,254</u>	<u>565,948</u>

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

12 CREDITORS: Amounts falling due within one year

	2014	2013
	£	£
Amounts owed to group undertakings	75,087	75,086
Corporation tax	7,578	–
Other taxation and social security costs	–	8,652
Other creditors	191,509	194,010
	<u>274,174</u>	<u>277,748</u>

13 RELATED PARTY TRANSACTIONS

D G Goldberg, a director, has a 15% interest in a freehold property, the remaining 85% of which is included in the balance sheet of the company at a valuation of £887,445 (2013: £887,445). During the year payments of £28,375 for property expenses were made in respect of his 15% share (2013: £14,933).

D G Goldberg is a limited partner in the Tychon Partnership. At 24 March 2014 his contribution to the capital of that partnership was £40,000 (2013: £40,000). Tychon Partnership owed Kadar Developments Limited £214,673 at the year end (2013: £217,640).

The company paid a dividend of £80,000 (2013: £80,000) to Plyflow Limited in the year. The balance due from Plyflow Limited at the year end was £319,423 (2013: £319,423).

Kadar Developments Limited owed the following amounts to companies where all or some its directors also hold office: The Plymouth Builders Limited £6,700 (2013: £6,700) and Lyner Estate Agents Limited £68,386 (2013: £68,386).

D G Goldberg owns 100% of the share capital of Mantalook Ltd. During the year the company recharged expenses of £3,250 (2013: £1,500) relating to Mantalook Ltd. There was no balance due from Mantalook Ltd at the year end (2013: £nil).

D G Goldberg has made a loan to the company of £15,184 (2013: £15,184). No interest is paid on this loan.

S Goldberg has made a loan to the company of £146,810 (2013: £146,810). During the year the company paid Mrs Goldberg interest on the loan amounting to £23,490 (2013: £23,490).

M E Joseph, a director, has made a loan to the company of £15,000 (2013: £15,000). During the year the company paid Mrs Joseph interest on the loan amounting to £1,875 (2013: £1,875).

Payments of £Nil (2013: £862) were made to David Wheeler Management Services during the year. David Wheeler is a director of the company.

14 SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Kadar Developments Limited

UNAUDITED NOTES TO THE FINANCIAL STATEMENTS

for the year ended 24 March 2014

15 RESERVES

	Revaluation reserve	Capital redemption reserve	Profit and loss account
	£	£	£
Balance brought forward	2,451,466	500	2,210,640
Profit for the year	—	—	10,993
Equity dividends	—	—	(80,000)
Balance carried forward	<u>2,451,466</u>	<u>500</u>	<u>2,141,633</u>

16 ULTIMATE PARENT COMPANY AND CONTROLLING PARTIES

The ultimate parent company is Plyflow Limited, a company incorporated in the United Kingdom and registered in England and Wales. On the grounds that its group is small Plyflow Limited does not prepare consolidated financial statements. The ultimate controlling parties of Plyflow Limited are its directors D G Goldberg and M E Joseph by virtue of their interests in its issued share capital.