

REGISTRAR
OF
COMPANIES

REGISTERED NUMBER: 735607

KITE CONTRACT CLEANING LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2002**

**Bland Baker,
Chartered Accountants,
21 Lodge Lane.
Grays,
Essex,
RM17 5RY.**



KITE CONTRACT CLEANING LIMITED

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KITE CONTRACT CLEANING LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2002

DIRECTOR: S. Kite

SECRETARY: R.E. Kite

REGISTERED OFFICE: 2a Aldworth Road
Stratford
LONDON
E15 4DL

REGISTERED NUMBER: 735607

ACCOUNTANTS: Bland Baker
Chartered Accountants
21 Lodge Lane
Grays
Essex
RM17 5RY

KITE CONTRACT CLEANING LIMITED
REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2002

The director presents his 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 the provision of cleaning services.

DIRECTOR

S. Kite was the sole director during the year under review.

His beneficial interest in the issued share capital of the company was as follows:

	31.12.02	1.1.02
Ordinary shares	27,550	27,550

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. Kite - DIRECTOR

Dated 30/6/2003

KITE CONTRACT CLEANING LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2002

		<u>2002</u>		<u>2001</u>	
	Notes	£	£	£	£
TURNOVER	2		362,467		365,473
Cost of sales			<u>248,764</u>		<u>254,841</u>
GROSS PROFIT			113,703		110,632
Administrative expenses			<u>106,393</u>		<u>98,687</u>
			7,310		11,945
Other operating income			<u>-</u>		<u>250</u>
OPERATING PROFIT	3		7,310		12,195
Interest payable and similar charges			<u>5,379</u>		<u>5,137</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,931		7,058
Tax on profit on ordinary activities	4		<u>(881)</u>		<u>1,172</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			2,812		5,886
Deficit brought forward:					
As previously reported		(3,479)		(9,965)	
Prior year adjustments	5	<u>(1,200)</u>		<u>(600)</u>	
As restated			<u>(4,679)</u>		<u>(10,565)</u>
LOSS CARRIED FORWARD			<u>£(1,867)</u>		<u>£(4,679)</u>

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2002**

	<u>2002</u>	<u>2001</u>
	£	£
PROFIT FOR THE FINANCIAL YEAR	2,812	5,886
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	2,812	5,886
Prior year adjustment	Note 5	
	(1,200)	(600)
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>£1,612</u>	<u>£5,286</u>

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

BALANCE SHEET 31 DECEMBER 2002

		<u>2002</u>		<u>2001</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	6		1,024		1,366
Tangible assets	7		<u>68,858</u>		<u>81,523</u>
			69,882		82,889
CURRENT ASSETS:					
Stocks		4,750		5,500	
Debtors	8	37,830		40,846	
Cash in hand		<u>-</u>		<u>2,175</u>	
		42,580		48,521	
CREDITORS: Amounts falling due within one year	9	<u>54,825</u>		<u>69,255</u>	
NET CURRENT LIABILITIES:			<u>(12,245)</u>		<u>(20,734)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			57,637		62,155
CREDITORS: Amounts falling due after more than one year	10		(4,054)		(10,534)
PROVISIONS FOR LIABILITIES AND CHARGES:	12		<u>(350)</u>		<u>(1,200)</u>
			<u>£53,233</u>		<u>£50,421</u>
CAPITAL AND RESERVES:					
Called up share capital	13		55,100		55,100
Profit and loss account			<u>(1,867)</u>		<u>(4,679)</u>
SHAREHOLDERS' FUNDS:			<u>£53,233</u>		<u>£50,421</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

**BALANCE SHEET
31 DECEMBER 2002**

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

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 June 2002).

ON BEHALF OF THE BOARD:



.....
S. Kite - DIRECTOR

Approved by the Board on 30/6/2003

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

1. ACCOUNTING POLICIES

Accounting convention

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).

Turnover

Turnover represents net invoiced work done, excluding value added tax.

Goodwill

Purchased Goodwill is amortised on a straight line basis over its estimated useful economic life of ten years.

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
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and are depreciated over their estimated useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pension

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

The turnover and profit before taxation arose wholly within the United Kingdom and are attributable to the principal activity of the company.

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

3. OPERATING PROFIT

The operating profit is stated after charging:

	2002	2001
	£	£
Depreciation - owned assets	3,844	3,623
Depreciation - assets on hire purchase contracts	1,130	1,438
Loss on disposal of fixed assets	4,619	646
Goodwill written off	<u>342</u>	<u>342</u>
Director's emoluments and other benefits etc	<u>35,312</u>	<u>37,016</u>

4. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit on ordinary activities for the year was as follows:

	2002	2001
	£	£
Current tax:		
UK corporation tax	17	572
Overprovision in previous year	(48)	-
Deferred tax – accelerated capital allowances	<u>(850)</u>	<u>600</u>
Total current tax	<u>(881)</u>	<u>1,172</u>
Tax on profit on ordinary activities	<u>(881)</u>	<u>1,172</u>

The adjusted profit for 2001 was reduced by losses brought forward of £445.

5. PRIOR YEAR ADJUSTMENTS

The company adopted the full provision method of accounting for deferred tax following the introduction of FRS19.

The deferred liability arising for the year ended 31 December 2001 was £1200 (2000 - £600). The liabilities have now been debited to the revenue reserves of the appropriate year and comparative amounts on the profit and loss account have been restated accordingly.

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

6. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
COST:	
At 1 January 2002	
and 31 December 2002	<u>3,418</u>
AMORTISATION:	
At 1 January 2002	2,052
Charge for year	<u>342</u>
At 31 December 2002	<u>2,394</u>
NET BOOK VALUE:	
At 31 December 2002	<u>1,024</u>
At 31 December 2001	<u>1,366</u>

7. TANGIBLE FIXED ASSETS

	<u>Land and buildings</u>	<u>Plant and machinery etc</u>	<u>Totals</u>
	£	£	£
COST:			
At 1 January 2002	55,000	58,958	113,958
Additions	-	4,741	4,741
Disposals	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
At 31 December 2002	<u>55,000</u>	<u>48,699</u>	<u>103,699</u>
DEPRECIATION:			
At 1 January 2002	1,000	31,435	32,435
Charge for year	500	4,474	4,974
Eliminated on disposals	<u>-</u>	<u>(2,568)</u>	<u>(2,568)</u>
At 31 December 2002	<u>1,500</u>	<u>33,341</u>	<u>34,841</u>
NET BOOK VALUE:			
At 31 December 2002	<u>53,500</u>	<u>15,358</u>	<u>68,858</u>
At 31 December 2001	<u>54,000</u>	<u>27,523</u>	<u>81,523</u>

KITE CONTRACT CLEANING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

7. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery etc
	£
COST:	
At 1 January 2002	15,000
Disposals	<u>(15,000)</u>
At 31 December 2002	-
DEPRECIATION:	
At 1 January 2002	1,438
Charge for year	1,130
Eliminated on disposals	<u>(2,568)</u>
At 31 December 2002	-
NET BOOK VALUE:	
At 31 December 2002	-
At 31 December 2001	<u>13,562</u>

**8. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Trade debtors	35,658	40,331
Other debtors	472	-
Prepayments	<u>1,700</u>	<u>515</u>
	<u>37,830</u>	<u>40,846</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Bank loan and overdraft	38,262	47,743
Hire purchase contracts	-	3,333
Trade creditors	2,177	3,059
Directors current account	1,625	1,362
Other creditors	9,719	10,286
Taxation	17	572
Accruals	<u>3,025</u>	<u>2,900</u>
	<u>54,825</u>	<u>69,255</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2002	2001
	£	£
Bank loan	4,054	6,645
Hire purchase contracts	<u>-</u>	<u>3,889</u>
	<u>4,054</u>	<u>10,534</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdraft	31,019	29,801
Bank loan	11,297	24,587
Hire purchase contracts	<u>-</u>	<u>7,222</u>
	<u>42,316</u>	<u>61,610</u>

12. PROVISIONS FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred tax – capital allowances in excess of depreciation	<u>350</u>	<u>1,200</u>

	Deferred tax £
Balance at 1 January 2002	1,200
Release of provision in the year	<u>(850)</u>
Balance at 31 December 2002	<u>350</u>

KITE CONTRACT CLEANING LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

13. CALLED UP SHARE CAPITAL

Authorised:		Nominal value:	2002	2001
Number:	Class:			
55,100	Ordinary shares	£1	<u>55,100</u>	<u>55,100</u>
Allotted and issued:		Nominal value:	2002	2001
Number:	Class:			
55,100	Ordinary shares	£1	<u>55,100</u>	<u>55,100</u>

14. TRANSACTIONS WITH DIRECTOR

The following loan from the director existed during the year ended 31 December 2002:

S. Kite	£
Balance outstanding at start of year	1,362
Balance outstanding at end of year	<u>1,625</u>

The loan is unsecured, interest free and repayable on demand.

15. RELATED PARTY DISCLOSURES

Controlling party

The company is controlled by the director and his father each holding 50% of the ordinary shares in issue.

Transactions with the director

During the year the director purchased a motor vehicle from the company at its market value of £7,812. The director also assumed the associated Hire Purchase liability of £7,160.

Balances with related parties

Details of the amounts owed to the director during the year, are given in note 14.

During the year the company repaid the £5,000 owed to R. Kite (shareholder) at 31 December 2001.

The loan was unsecured, interest free and repayable on demand.