

REGISTERED NUMBER: 735607

KITE CONTRACT CLEANING LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2003
TO 31 MARCH 2004**



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

KITE CONTRACT CLEANING LIMITED

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FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004**

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KITE CONTRACT CLEANING LIMITED

**COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004**

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 PERIOD 1 JANUARY 2003 TO 31 MARCH 2004**

The director presents his report with the financial statements of the company for the period 1 January 2003 to 31 March 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the period under review was that of cleaning services.

DIRECTOR

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

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

	31.3.04	1.1.03
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

Date: 5/7/2004

KITE CONTRACT CLEANING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

		Period 1.1.03 to 31.3.04		Year Ended 31.12.02	
	Notes	£	£	£	£
TURNOVER	2		343,824		362,467
Cost of sales			<u>241,317</u>		<u>248,764</u>
GROSS PROFIT			102,507		113,703
Administrative expenses			<u>97,995</u>		<u>106,393</u>
OPERATING PROFIT	3		4,512		7,310
Interest payable and similar charges			<u>3,414</u>		<u>5,379</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			1,098		1,931
Tax on profit on ordinary activities	4		<u>(286)</u>		<u>(881)</u>
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION			1,384		2,812
Loss brought forward:					
As previously reported		(1,867)		(3,479)	
Prior year adjustments	5	<u>-</u>		<u>(1,200)</u>	
As restated			<u>(1,867)</u>		<u>(4,679)</u>
LOSS CARRIED FORWARD			<u>£(483)</u>		<u>£(1,867)</u>

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004**

	Period 1.1.03 to 31.3.04	Year Ended 31.12.02
	£	£
PROFIT FOR THE FINANCIAL PERIOD	1,384	2,812
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	<u>£1,384</u>	2,812
Prior year adjustment		(1,200)
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		<u>£1,612</u>

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

BALANCE SHEET 31 MARCH 2004

		2004		2002	
	Notes	£	£	£	£
FIXED ASSETS:					
Intangible assets	6		682		1,024
Tangible assets	7		<u>75,661</u>		<u>68,858</u>
			76,343		69,882
CURRENT ASSETS:					
Stocks		4,825		4,750	
Debtors	8	<u>33,514</u>		<u>37,830</u>	
		38,339		42,580	
CREDITORS: Amounts falling due within one year	9	<u>57,364</u>		<u>54,825</u>	
NET CURRENT LIABILITIES:			(19,025)		(12,245)
TOTAL ASSETS LESS CURRENT LIABILITIES:			57,318		57,637
CREDITORS: Amounts falling due after more than one year	10		(2,711)		(4,054)
PROVISIONS FOR LIABILITIES AND CHARGES:	13		<u>10</u>		<u>(350)</u>
			<u>£54,617</u>		<u>£53,233</u>
CAPITAL AND RESERVES:					
Called up share capital	14		55,100		55,100
Profit and loss account			<u>(483)</u>		<u>(1,867)</u>
SHAREHOLDERS' FUNDS:			<u>£54,617</u>		<u>£53,233</u>

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

**BALANCE SHEET
31 MARCH 2004**

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 March 2004.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2004 in accordance with Section 249B(2) of the Companies Act 1985.

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 6/7/2004

The notes form part of these financial statements

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

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 are 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 PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

3. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.1.03 to 31.3.04 £	Year Ended 31.12.02 £
Depreciation - owned assets	3,856	3,844
Depreciation - assets on hire purchase contracts	2,214	1,130
Loss on disposal of fixed assets	1,448	4,619
Goodwill written off	<u>342</u>	<u>342</u>
Director's emoluments and other benefits etc	<u>26,970</u>	<u>35,312</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
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4. TAXATION

Analysis of the tax charge/(credit)

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

	Period 1.1.03 to 31.3.04 £	Year Ended 31.12.02 £
Current tax:		
UK corporation tax	-	17
Under/(over) provision in previous year	74	(48)
Deferred tax	<u>(360)</u>	<u>(850)</u>
Total current tax	<u>(286)</u>	<u>(881)</u>
Tax on profit on ordinary activities	<u>(286)</u>	<u>(881)</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

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 amounted to £1,200 (2000 - £600). This has been debited to the revenue reserves of the appropriate year and comparative amounts on the profit and loss account have been restated accordingly.

6. INTANGIBLE FIXED ASSETS

	<u>Goodwill</u>
	£
COST:	
At 1 January 2003	
and 31 March 2004	<u>3,418</u>
AMORTISATION:	
At 1 January 2003	2,394
Charge for period	<u>342</u>
At 31 March 2004	<u>2,736</u>
NET BOOK VALUE:	
At 31 March 2004	<u>682</u>
At 31 December 2002	<u>1,024</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

7. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Totals
	£	£	£
COST:			
At 1 January 2003	55,000	48,699	103,699
Additions	-	15,872	15,872
Disposals	-	(14,349)	(14,349)
At 31 March 2004	<u>55,000</u>	<u>50,222</u>	<u>105,222</u>
DEPRECIATION:			
At 1 January 2003	1,500	33,341	34,841
Charge for period	500	5,570	6,070
Eliminated on disposals	-	(11,350)	(11,350)
At 31 March 2004	<u>2,000</u>	<u>27,561</u>	<u>29,561</u>
NET BOOK VALUE:			
At 31 March 2004	<u>53,000</u>	<u>22,661</u>	<u>75,661</u>
At 31 December 2002	<u>53,500</u>	<u>15,358</u>	<u>68,858</u>

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

	Plant and machinery etc
	£
COST:	
Additions	<u>8,857</u>
At 31 March 2004	<u>8,857</u>
DEPRECIATION:	
Charge for period	<u>2,214</u>
At 31 March 2004	<u>2,214</u>
NET BOOK VALUE:	
At 31 March 2004	<u>6,643</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2002
	£	£
Trade debtors	27,835	35,658
Other debtors	499	472
Prepayments	<u>5,180</u>	<u>1,700</u>
	<u>33,514</u>	<u>37,830</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2002
	£	£
Bank loans and overdrafts	34,266	38,262
Hire purchase contracts	2,503	-
Trade creditors	4,128	2,177
Directors current accounts	1,523	1,625
Other creditors	11,892	9,719
Taxation	-	17
Accruals	<u>3,052</u>	<u>3,025</u>
	<u>57,364</u>	<u>54,825</u>

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

	2004	2002
	£	£
Bank loans	-	4,054
Hire purchase contracts	<u>2,711</u>	<u>-</u>
	<u>2,711</u>	<u>4,054</u>

11. OPERATING LEASE COMMITMENTS

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

	2004	Other	2002
	£		£
Expiring:			
Between one and five years	<u>2,665</u>		<u>-</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

12. SECURED DEBTS

The following secured debts are included within creditors:

	2004	2002
	£	£
Bank overdrafts	32,242	31,019
Bank loans	2,024	11,297
Hire purchase contracts	<u>5,214</u>	<u>-</u>
	<u>39,480</u>	<u>42,316</u>

13. PROVISIONS FOR LIABILITIES AND CHARGES

	2004	2002
	£	£
Deferred tax asset – depreciation in excess of capital allowances	<u>(10)</u>	<u>350</u>

	Deferred tax asset £
Balance at 1 January 2003	350
Depreciation in excess of capital allowances	<u>(360)</u>
Balance at 31 March 2004	<u>(10)</u>

14. CALLED UP SHARE CAPITAL

Authorised:			2004	2002
Number:	Class:	Nominal value:	£	£
55,100	Ordinary shares	£1	<u>55,100</u>	<u>55,100</u>

Allotted and issued:			2004	2002
Number:	Class:	Nominal value:	£	£
55,100	Ordinary shares	£1	<u>55,100</u>	<u>55,100</u>

KITE CONTRACT CLEANING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2003 TO 31 MARCH 2004

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 previous 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.

During the year the company received a loan of £3,000 from R. Kite (father of the director).

Balances with related parties

The company had the following balances with related parties at the year end.

	2004 £	2002 £
Directors loan account	1,523	1,625
Other creditors - R. Kite	3,000	-

The loans were unsecured, interest free and repayable on demand.