

Company Registration No. 2965708 (England and Wales)

KINLEIGH FOLKARD AND HAYWARD LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2008

TUESDAY



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COMPANIES HOUSE

KINLEIGH FOLKARD AND HAYWARD LIMITED

COMPANY INFORMATION

Directors	R M Cleminson P L Coling S L Robbins A Chambers
Secretary	K P Allerton
Company number	2965708
Registered office	KFH House 5 Compton Road Wimbledon London SW19 7QA
Auditors	Warrener Stewart Harwood House 43 Harwood Road London SW6 4QP
Business address	KFH House 5 Compton Road Wimbledon London SW19 7QA

KINLEIGH FOLKARD AND HAYWARD LIMITED

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KINLEIGH FOLKARD AND HAYWARD LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MARCH 2008

The directors present their report and financial statements for the period ended 31 March 2008.

Principal activities

The principal activity of the company during the period was that of Chartered Surveyors and Valuers.

The company changed its accounting reference date to 31 March in each year, thereby extending its accounting period from 31 December 2007 to 31 March 2008.

Directors

The following directors have held office since 1 January 2007:

R M Cleminson
P L Coling
S L Robbins
A Chambers

Auditors

Warrener Stewart, Chartered Accountants, of Harwood House, 43 Harwood Road, London SW6 4QP will continue in office as auditors of the company.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 directors are 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 directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are 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 directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves 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.

By order of the board



K P Allerton

Secretary

15 January 2009

KINLEIGH FOLKARD AND HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF KINLEIGH FOLKARD AND HAYWARD LIMITED

We have audited the financial statements of Kinleigh Folkard and Hayward Limited on pages 4 to 9 for the period ended 31 March 2008. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), under the historical cost convention and the accounting policies set out therein.

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 auditor's 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 directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' 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 directors 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.

KINLEIGH FOLKARD AND HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF KINLEIGH FOLKARD AND HAYWARD LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2008 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

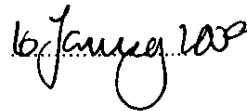
Emphasis of matter

In forming our opinion, we have considered the adequacy of disclosures made in note 1 to the financial statements concerning the basis of their preparation. In view of the significance of this matter, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.



Warrenner Stewart

Chartered Accountants
Registered Auditor



Harwood House
43 Harwood Road
London
SW6 4QP

KINLEIGH FOLKARD AND HAYWARD LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 MARCH 2008

		15 months ended 31 March 2008 £	Year ended 31 December 2006 £
	Notes		
Turnover		7,326,552	6,768,254
Staff costs		5,352,514	4,723,951
Depreciation and amortisation		33,947	28,434
Other operating charges		2,568,493	2,034,624
		7,954,954	6,787,009
Operating loss	2	(628,402)	(18,755)
Other interest receivable and similar income	3	5,693	-
Loss on ordinary activities before taxation		(622,709)	(18,755)
Tax on loss on ordinary activities	4	(2,069)	(4,574)
Loss for the period	9	(£624,778)	(£23,329)

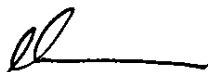
KINLEIGH FOLKARD AND HAYWARD LIMITED

BALANCE SHEET AS AT 31 MARCH 2008

		31 March 2008		31 December 2006	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		69,030		88,883
Current assets					
Debtors	6	1,108,718		1,401,387	
Cash at bank and in hand		12,968		450	
		<u>1,121,686</u>		<u>1,401,837</u>	
Creditors: amounts falling due within one year	7	<u>(1,646,821)</u>		<u>(1,322,047)</u>	
Net current (liabilities)/assets			<u>(525,135)</u>		<u>79,790</u>
Total assets less current liabilities			<u>(£456,105)</u>		<u>£168,673</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		<u>(456,107)</u>		<u>168,671</u>
Shareholders' funds			<u>(£456,105)</u>		<u>£168,673</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 2007).

The financial statements were approved by the Board on 15 January 2009



S G Robbins
Director

KINLEIGH FOLKARD AND HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2008

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 2007).

As the company is a wholly owned subsidiary of Kinleigh Limited and that company prepares consolidated financial statements, this company has taken advantage of the partial exemptions contained within Financial Reporting Standard 8 and has not therefore disclosed transactions with other group companies.

Basis of preparation

During the period under review, the company reported a loss of £624,778 (2006: loss £23,329). Due to the loss incurred during the period the company's balance sheet as at 31 March 2008 showed a deficit of £456,105. At the balance sheet date £1,258,655 is owed to its parent undertaking Kinleigh Limited, the directors of which have agreed to continue to provide such financial support as is required whilst the company continues to strengthen its own financial position.

In light of this and after taking into account all other information that could reasonably be expected to be available, the directors are confident that the company will continue in operational existence for the foreseeable future and that the going concern basis is therefore appropriate for the preparation of the company's financial statements.

1.2 Turnover

Turnover represents fees and commissions earned in the period, less any credits, exclusive of value added tax.

1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% on written down value
Office equipment	25% on written down value

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Deferred taxation

Deferred tax is provided using the full provision method. Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date and is not recognised on permanent differences.

It is the company's policy not to discount deferred tax to reflect the time value of money.

KINLEIGH FOLKARD AND HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

2	Operating loss	15 months	Year ended
		ended 31 March 2008	31 December 2006
		£	£
	Operating loss is stated after charging:		
	Depreciation of tangible assets	33,947	28,434
	Auditors' remuneration	5,800	4,850
	Directors' emoluments	410,573	427,878
		<u>450,320</u>	<u>461,162</u>
3	Investment income	15 months	Year ended
		ended 31 March 2008	31 December 2006
		£	£
	Other interest	£5,693	-
		<u>5,693</u>	<u>-</u>
4	Taxation	15 months	Year ended
		ended 31 March 2008	31 December 2006
		£	£
	Domestic current year tax		
	U.K. corporation tax	-	5,000
	Adjustment for prior years	2,069	(426)
		<u>2,069</u>	<u>4,574</u>
	Current tax charge	<u>£2,069</u>	<u>£4,574</u>

KINLEIGH FOLKARD AND HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

5 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 January 2007	89,459	131,324	220,783
Additions	10,444	3,650	14,094
At 31 March 2008	99,903	134,974	234,877
Depreciation			
At 1 January 2007	39,153	92,747	131,900
Charge for the period	21,438	12,509	33,947
At 31 March 2008	60,591	105,256	165,847
Net book value			
At 31 March 2008	£39,312	£29,718	£69,030
At 31 December 2006	£50,306	£38,577	£88,883

6 Debtors

	31 March 2008 £	31 December 2006 £
Trade debtors	1,050,395	1,237,774
Amounts owed by group undertakings	1,320	165
Other debtors	57,003	163,448
	£1,108,718	£1,401,387

7 Creditors: amounts falling due within one year

	31 March 2008 £	31 December 2006 £
Bank loans and overdrafts	-	38,969
Trade creditors	53,138	43,724
Amounts owed to group undertakings	1,258,655	546,537
Taxation and social security	265,131	457,224
Other creditors	69,897	235,593
	£1,646,821	£1,322,047

KINLEIGH FOLKARD AND HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

8	Share capital	31 March 2008 £	31 December 2006 £
	Authorised		
	1,000 Ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>£2</u>	<u>£2</u>

9	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 January 2007	168,671
	Retained loss for the period	(624,778)
	Balance at 31 March 2008	<u>(£456,107)</u>

10 Financial commitments

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

	31 March 2008 £	31 December 2006 £
Expiry date:		
Within one year	5,000	155,750
Between two and five years	10,500	148,545
	<u>£15,500</u>	<u>£304,295</u>

11 Control

The ultimate parent undertaking is Kinleigh Limited, a company registered in England.

The ultimate controlling party is L T Watts, who owns the majority of the shares in Kinleigh Limited.