

Registered number: 02965708

KINLEIGH FOLKARD & HAYWARD LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011



KINLEIGH FOLKARD & HAYWARD LIMITED

COMPANY INFORMATION

Directors	R M Cleminson P L Coling A Chambers R Johnson J Marke (appointed 17 November 2011) L Hawkins (appointed 17 November 2011)
Company secretary	K P Allerton
Company number	02965708
Registered office	KFH House 5 Compton Road Wimbledon London SW19 7QA
Trading address	KFH House 5 Compton Road Wimbledon London SW19 7QA
Auditors	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

KINLEIGH FOLKARD & HAYWARD LIMITED

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KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and the audited financial statements for the year ended 31 December 2011

Directors

The directors who served during the year were

R M Cleminson
P L Coling
A Chambers
R Johnson
J Marke (appointed 17 November 2011)
L Hawkins (appointed 17 November 2011)

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Principal activities

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

Auditors

Under section 487(2) of the Companies Act 2006, Warrener Stewart will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf by


..
K P Allerton
Secretary

Date 12 July 2012

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH FOLKARD & HAYWARD LIMITED

We have audited the financial statements of Kinleigh Folkard & Hayward Limited for the year ended 31 December 2011, set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

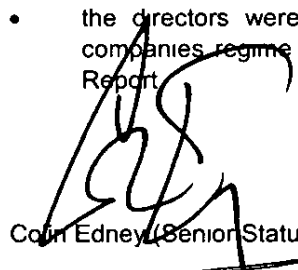
KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KINLEIGH FOLKARD & HAYWARD LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report



Colin Edney (Senior Statutory Auditor)

for and on behalf of
Warrener Stewart

Chartered Accountants
Statutory Auditors

Harwood House
43 Harwood Road
London
SW6 4QP

13 July 2012

KINLEIGH FOLKARD & HAYWARD LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 £	2010 £
Turnover	1	3,718,852	3,220,017
Other external charges		(1,718,167)	(959,735)
Staff costs		(2,531,172)	(2,257,382)
Depreciation and amortisation		(9,348)	(10,415)
Loss on ordinary activities before taxation		(539,835)	(7,515)
Tax on loss on ordinary activities	4	-	-
Loss for the financial year	9	(539,835)	(7,515)

The notes on pages 7 to 10 form part of these financial statements

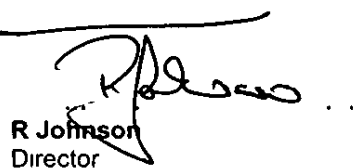
KINLEIGH FOLKARD & HAYWARD LIMITED
REGISTERED NUMBER: 02965708

BALANCE SHEET
AS AT 31 DECEMBER 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	5		33,506		35,918
Current assets					
Debtors	6	695,700		502,978	
Creditors: amounts falling due within one year	7	(2,489,990)		(1,759,845)	
Net current liabilities			(1,794,290)		(1,256,867)
Net assets			(1,760,784)		(1,220,949)
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account	9		(1,760,786)		(1,220,951)
Shareholders' deficit			(1,760,784)		(1,220,949)

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by


R Johnson
 Director

Date 12 July 2012

The notes on pages 7 to 10 form part of these financial statements

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The company reported a loss for the year of £539,835 (2010 £7,515). The company now has a balance sheet deficit of £1,760,784 (2010 £1,220,949). At the balance sheet date £1,142,543 is owed to the company's parent undertaking Kinleigh Limited, the directors of which view the company as an integral part of group operations and accordingly 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.

1.3 Turnover

Turnover comprises fees earned by the company in respect of services supplied during the year, less any credits or refunds, exclusive of Value Added Tax and trade discounts.

1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	-	25% on written down value
Computer Equipment	-	33% on written down value

1.5 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Accounting Policies (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.7 FRS 8 exemption

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 therefore not disclosed transactions with other group companies

2 Loss

The loss is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	9,348	10,415
Auditors' remuneration	6,500	6,250
	<u> </u>	<u> </u>

3 Directors' remuneration

	2011 £	2010 £
Aggregate emoluments	299,844	286,828
	<u> </u>	<u> </u>

4 Taxation

No charge to corporation tax arises in view of the loss for the year

The company has surrendered tax losses of £540,044 to other group companies and has trading losses of approximately £648,000 available to carry forward to future periods, subject to agreement with HM Revenue & Customs

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

5 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Total £
Cost			
At 1 January 2011	138,664	105,039	243,703
Additions	-	6,936	6,936
At 31 December 2011	138,664	111,975	250,639
Depreciation			
At 1 January 2011	121,694	86,091	207,785
Charge for the year	4,303	5,045	9,348
At 31 December 2011	125,997	91,136	217,133
Net book value			
At 31 December 2011	12,667	20,839	33,506
At 31 December 2010	16,970	18,948	35,918

6 Debtors

	2011 £	2010 £
Trade debtors	660,170	474,015
Other debtors	35,530	28,963
	695,700	502,978

7 Creditors

Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	24,026	4,353
Trade creditors	56,868	16,277
Amounts owed to group undertakings	1,160,007	1,146,548
Social security and other taxes	225,266	173,647
Other creditors	1,023,823	419,020
	2,489,990	1,759,845

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

8. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
1 Ordinary share of £2	<u>2</u>	<u>2</u>

9. Reserves

	Profit and loss account £
At 1 January 2011	(1,220,951)
Loss for the year	(539,835)
At 31 December 2011	<u>(1,760,786)</u>

10 Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	2011 £	2010 £
Expiry date.		
Between 2 and 5 years	<u>10,500</u>	<u>10,000</u>

11 Ultimate parent undertaking and controlling party

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

L T Watts and B Steer are the controlling shareholders of Kinleigh Limited