

**BRAHMA
KUMARIS
INFORMATION
SERVICES
ANNUAL REPORT**

YEAR-ENDED 31 DECEMBER 2003

(COMPANY No. 3009586)



A23
COMPANIES HOUSE

ASWZ016S

0559
18/12/04

BRAHMA KUMARIS
INFORMATION SERVICES
(COMPANY NO. 3009586)

Financial Statements

Contents

Directors Report	1-2
Auditors Report	3-4
Income and expenditure	5
Balance Sheet	6
Notes to the Financial Statements	7-9

DIRECTORS REPORT

Directors: Satish Mohan Lal
Ratan Thadani
Neville John Hodgkinson
Girish Wadhwani

Secretary: Parul Shah

Registered Office: 65 Pound Lane
London
NW10 2HH

Company Number: 3009586

The directors present their report with the financial statements of the company for the year ended 31 December 2003.

Donations

During the year the company made the following contributions:

	<u>2003</u>	<u>2002</u>
	£	£
Charitable	-	301

Principal Activities and Review of the Business

The principal activity of the company during the year was that of selling literature, cassettes, CDs and ancillary products, which would promote basic spiritual, educational and moral values.

The directors are pleased to report a modest profit of £1,495 compared to a deficit of £31,407 in 2002. This was achieved as a result of a 'sale' held by the company of its old and slow moving stock.

Directors and their interests

The directors of the company during the year, and as at 31 December 2003, are as listed above. They had no beneficial interest in the shares of the company.

Results

The results for the year are set out on page 5 to the financial statements.

DIRECTORS REPORT (cont'd)**Fixed assets**

The changes in fixed assets during the year are summarised in the Note 6 to the financial statements.

Share Capital

The company is limited by guarantee. Hence no share capital is in issue.

Directors Responsibilities for the Financial Statements

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 surplus or deficit of the company for that year. 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; and
- 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The directors unanimously have decided that having regard to the company's main activities, it would be relevant for the accounts to be audited. In view of this, Messrs. Jay & Co London Ltd Chartered Accountants have been re-appointed as auditors. They have expressed their willingness to act and to continue in office as auditors. A resolution proposing their reappointment will be submitted at the Annual General Meeting.

Small Company Exemption

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, was approved by the board on and signed on its behalf.

By order of the Board


4.12.04

Director: Mr Girish Wadhvani

**AUDITORS REPORT TO THE MEMBERS OF
BRAHMA KUMARIS INFORMATION SERVICES**

We have audited the financial statements on page 5 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely for the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report or for the opinion we have formed.

Respective Responsibilities of the Directors and the Auditors

As described on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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, 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 Opinion

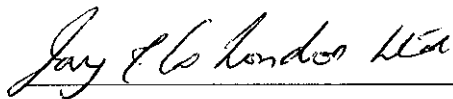
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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.

continued on page 4

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2003 and of the surplus of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

***Jay & Co London Ltd***

Chartered Accountants and Registered Auditors
15 Alexandria Road
Ealing
London W13 0NP

***Date***

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2003**

	Notes	2003 £	2003 £	2002 £	2002 £
Turnover	2		310,202		283,688
Cost of Sales			<u>100,763</u>		<u>132,017</u>
Gross Surplus			209,439		151,671
Distribution costs		880		10,260	
Administration expenses		<u>209,096</u>	<u>209,976</u>	<u>176,277</u>	<u>186,537</u>
Operating Deficit			(537)		(34,866)
Other interest receivable	4		<u>2,031</u>		<u>3,557</u>
Surplus/(deficit) on ordinary activities before taxation	3		1,494		(31,309)
Taxation	5		<u>-</u>		<u>(98)</u>
Retained Surplus/(deficit) for the year			1,494		(31,407)
Retained (Deficit)/surplus forward			(21,191)		10,216
Retained (Deficit) carried forward			<u>(19,697)</u>		<u>(21,191)</u>

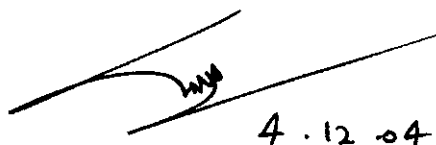
Notes

- 1) The results relate to continuing activities.
- 2) There were no recognised gains or deficits other than those included in the income and expenditure account.
- 3) The notes on pages 7 to 9 form part of these financial statements.

BALANCE SHEET AT 31 DECEMBER 2003

	Notes	2003 £	2003 £	2002 £	2002 £
Tangible fixed assets	6		124,749		104,550
Current Assets					
Stocks	1	15,382		15,090	
Debtors	7	24,192		26,019	
Cash at bank and in hand		147,264		138,658	
		<u>186,838</u>		<u>179,767</u>	
Creditors: Amounts falling due within one year	8	<u>15,871</u>		<u>32,997</u>	
Net Current Assets			170,967		146,770
Total Assets less Current Liabilities			<u>295,716</u>		<u>251,320</u>
Creditors: Amounts falling due after more than one year					
Other loan	9		315,413		272,413
Net (Liabilities)/Assets			<u>(19,697)</u>		<u>(21,093)</u>
Capital and Reserves					
Share Capital	11		-		-
Income and Expenditure account			(19,697)		(21,093)
General fund	10		<u>(19,697)</u>		<u>(21,093)</u>

The financial statements, which have been prepared with the special provisions of Part VII of the Companies Act 1985 relating to small companies, were approved by the board on and signed on its behalf.



4.12.04

Director: Mr Girish Wadhwani

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003**

1. Accounting Policies

Basis of Preparation of accounts

The financial statements are prepared under the historical cost convention and are in accordance with applicable Accounting Standards.

Turnover

Turnover is invoiced sales less returns exclusive of value added tax.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset over its expected useful life as follows:

- Leasehold property - over the period of the lease
- Fixtures and fittings - 10 years
- Computers - 3 years
- Sound equipment - 10 years

The company's policy is to write off the book value of each tangible asset over its estimated remaining life. Reviews are made periodically of the estimated remaining useful lives of individual productive assets, taking into account normal wear and tear.

Provision is made for all permanent diminutions in the value of building improvements.

Stock

Stock is valued at the lower of cost and net realizable value, after making due allowance for obsolete and slow moving items.

Deferred Taxation

Deferred taxation is provided on the liability method on all significant timing differences where a liability is likely to arise in the future.

Financial Reporting Standard (FRS) No. 1

No cash flow statement is prepared as the company being small qualifies for exemption under FRS1.

Going Concern

The accounts have been prepared under going concern basis. In view of the deficit on the balance sheet the director has assured financial assistance and therefore the company is seen to be in operational existence for the future.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

2. Turnover

The turnover and pre-tax profit are attributed to the principal activity of the company carried out wholly in the United Kingdom.

Bank interest received	2,031	3,557
------------------------	-------	-------

5. Taxation

Taxation charge @ nil% for the year	-	98
-------------------------------------	---	----

6. Tangible Fixed Assets

	Leasehold Property	Fixtures & Fittings	Computers	Sound Equipment	Total
Cost:	£	£	£	£	£
Balance brought forward	28,452	71,375	120,027	67,395	287,249
Additions	-	42,019	53,368	-	95,387
Disposals	-	-	-	-	-
Balance carried forward	<u>28,452</u>	<u>113,394</u>	<u>173,395</u>	<u>67,395</u>	<u>382,636</u>

Accumulated depreciation:

Balance brought forward	24,898	39,422	78,027	40,354	182,701
Charge for the year	3,553	11,340	53,553	6,740	75,186
Disposals	-	-	-	-	-
Balance carried forward	<u>28,451</u>	<u>50,762</u>	<u>131,580</u>	<u>47,094</u>	<u>257,887</u>

Net book value:

At 31 December 2003	<u>1</u>	<u>62,632</u>	<u>41,815</u>	<u>20,301</u>	<u>124,749</u>
At 31 December 2002	<u>3,555</u>	<u>31,953</u>	<u>42,000</u>	<u>27,042</u>	<u>104,550</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

	2003	2002
	£	£
7. Debtors		
Trade debtors	19,893	11,151
Other debtors	4,299	14,868
	<u>24,192</u>	<u>26,019</u>
8. Creditors: amounts falling due within one year		
Trade creditors	12,012	31,560
Other creditors	3,859	1,437
	<u>15,871</u>	<u>32,997</u>
9. Creditors: amounts falling due after more than one year		
All the other loans are payable after more than five years.		
10. Reconciliation of movements in Funds		
(Deficit)/General fund brought forward	(21,191)	10,216
Surplus/(deficit) for the year	1,494	(31,407)
(Deficit) carried forward	<u>(19,697)</u>	<u>(21,191)</u>

11. Share Capital

The company is limited by guarantee and therefore no share capital is in issue.