

KALA ENTERPRISES LTD
DIRECTOR'S REPORT AND ACCOUNTS
FOR THE YEAR ENDED 29TH FEBRUARY 2000

Company No. 03076021



KALA ENTERPRISES LTD

COMPANY INFORMATION

Director Mr Kuldeep Sohanpal

Secretary Miss Manjit Sohanpal

Company number 03076021

Registered office 28 Cecil Road
Wealdstone
Harrow
HA3 5RA

Bankers Barclays Bank
355 Station road
Harrow
HA1 2AN

KALA ENTERPRISES LTD

CONTENTS

	Page
Director's report	1 to 2
Profit and loss account	3
Balance sheet	4 to 5
Notes to the accounts	6 to 9
<i>The following pages do not form part of the statutory accounts</i>	
Management profit and loss account	10

KALA ENTERPRISES LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 29TH FEBRUARY 2000

The director presents his report and the accounts for the company for the year ended 29th February 2000.

Principal activities

The company's principal activity continued to be that of wholesale of soft furnishing products and management consultancy.

Director and his interests

The director who held office during the year and his beneficial interest in the company's issued share capital are given below:

Name of director	Share type	At 29th February 2000	At 1st March 1999
Mr Kuldeep Sohanpal	Ordinary	2	2

Statement of director's responsibilities

Company law requires the director to prepare accounts 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 for that year. In preparing those accounts the director is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable him to ensure that the accounts comply with the Companies Act 1985. He is 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.

KALA ENTERPRISES LTD

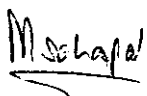
DIRECTOR'S REPORT

FOR THE YEAR ENDED 29TH FEBRUARY 2000

Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies Act 1985.

By order of the Board



Miss Manjit Sohanpal, Secretary
19th July 2000

28 Cecil Road
Wealdstone
Harrow
HA3 5RA

KALA ENTERPRISES LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 29TH FEBRUARY 2000

	Notes	2000 £	1999 £
Turnover	2	36,074	28,782
Cost of sales		(223)	(11,464)
Gross profit		35,851	17,318
Administrative expenses		(12,569)	(4,221)
Operating profit	3	23,282	13,097
Profit on ordinary activities before taxation		23,282	13,097
Tax on profit on ordinary activities	5	(4,676)	(2,785)
Profit for the financial year		18,606	10,312
Dividends	6	(20,000)	(9,000)
Retained loss/profit for the year		(1,394)	1,312
Retained profit brought forward		1,930	618
Retained profit carried forward		536	1,930

There were no recognised gains or losses for 2000 or 1999 other than those included in the profit and loss account.

KALA ENTERPRISES LTD

BALANCE SHEET

AS AT 29TH FEBRUARY 2000

	Notes	£	2000 £	£	1999 £
Fixed assets					
Tangible assets			348		464
			<u>348</u>		<u>464</u>
Current assets					
Stocks	8	4,500		4,500	
Debtors	9	3,002		3,002	
Cash at bank and in hand		1,858		4,587	
			<u>9,360</u>	<u>12,089</u>	
Creditors: amounts falling due within one year	10	(9,170)		(4,621)	
Net current assets			<u>190</u>		<u>7,468</u>
Total assets less current liabilities			<u>538</u>		<u>7,932</u>
Creditors: amounts falling due after more than one year	11		-		(6,000)
			<u>538</u>		<u>1,932</u>
Capital and reserves					
Share capital	12		2		2
Profit and loss account			536		1,930
Shareholders' funds			<u>538</u>		<u>1,932</u>

The director is of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 29th February 2000.

The director confirms that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The director confirms that he is responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

KALA ENTERPRISES LTD

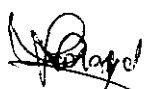
BALANCE SHEET

AS AT 29TH FEBRUARY 2000

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000)

These accounts were approved by the board on 19th July 2000 and signed on its behalf by:

Mr Kuldeep Sohanpal
Director



KALA ENTERPRISES LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29TH FEBRUARY 2000

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover comprises the value of sales excluding value added tax and trade discounts.

Tangible fixed assets and depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by by reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Furniture and equipment	25%
-------------------------	-----

Stocks

Stocks are stated at the lower of cost and net realisable value.

2 Turnover

The geographical analysis of turnover is as follows:

	2000 £	1999 £
UK	36,074	28,782
	<u>36,074</u>	<u>28,782</u>

3 Operating profit

The operating profit is stated after charging or crediting:

	2000 £	1999 £
Depreciation of tangible fixed assets:		
-owned assets	116	155
	<u>116</u>	<u>155</u>

KALA ENTERPRISES LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29TH FEBRUARY 2000

4 Director and employees

Staff costs, including director's remuneration, were as follows:

	2000	1999
	£	£
Wages and salaries	10,880	3,000
Social security costs	388	-
	<u>11,268</u>	<u>3,000</u>

Director's emoluments

	2000	1999
	£	£
Aggregate emoluments	7,500	3,000
	<u>7,500</u>	<u>3,000</u>

5 Taxation

	2000	1999
	£	£
Based on the profit for the year:		
UK corporation tax at 20%(1999: 21%)	4,676	2,750
	<u>4,676</u>	<u>2,750</u>
Prior periods		
UK corporation tax	-	35
	<u>4,676</u>	<u>2,785</u>

6 Dividends

	2000	1999
	£	£
Ordinary dividends - paid	20,000	9,000
Total equity dividends	<u>20,000</u>	<u>9,000</u>

KALA ENTERPRISES LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29TH FEBRUARY 2000

7 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1st March 1999	789	789
At 29th February 2000	789	789
Depreciation		
At 1st March 1999	325	325
Charge for the year	116	116
At 29th February 2000	441	441
Net book value		
At 29th February 2000	348	348
<i>At 28th February 1999</i>	<i>464</i>	<i>464</i>

8 Stocks

2000 £	1999 £
4,500	4,500

9 Debtors

	2000 £	1999 £
Trade debtors	3,000	3,000
Other debtors	2	2
	3,002	3,002

10 Creditors: amounts falling due within one year

	2000 £	1999 £
Other creditors	10,173	4,615
Director's loan	(1,003)	6
	9,170	4,621

'Other creditors' include £10,173 (1999: £4,615) in respect of taxation and social security.

KALA ENTERPRISES LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 29TH FEBRUARY 2000

11	Creditors: amounts falling due after more than one year	2000	1999
		£	£
	Director's loan	-	6,000
		-	6,000
12	Share capital	2000	1999
		£	£
	Authorised		
	1,000 Ordinary shares of £1.00 each	1,000	1,000
		1,000	1,000
	Allotted		
	2 Issued and fully paid ordinary shares of £1 each	2	2
		2	2