KALA ENTERPRISES LIMITED

DIRECTOR'S REPORT AND ACCOUNTS

FOR THE YEAR ENDED 28TH FEBRUARY 2001



Company No. 03076021

KALA ENTERPRISES LIMITED

COMPANY INFORMATION

Director	Mr Kuldeep Sohanpal
Secretary	Miss Manjit Sohanpal
Company number	03076021
Registered office	28 Cecil Road Wealdstone Harrow Middlesex HA3 5RA
Bankers	Barclays Bank PLC 355 Station Road Wealdstone Harrow Middlesex HA1 2AN

KALA ENTERPRISES LIMITED

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KALA ENTERPRISES LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 28TH FEBRUARY 2001

The director presents his report and the accounts for the company for the year ended 28th February 2001.

Principal activities

The company's principal activity continued to be of providing accountancy services

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 28th February 2001	At 29th February 2000
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.

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

M Sohanpal

Miss Manjit Sohanpal, Secretary
20th December 2001

KALA ENTERPRISES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 28TH FEBRUARY 2001

	Notes	2001	*2000*
		£	*£*
Turnover	2	**30,067**	*36,074*
Cost of sales		-	*(223)*
Gross profit		**30,067**	*35,851*
Administrative expenses		**(12,358)**	*(12,561)*
Operating profit	3	**17,709**	*23,289*
Interest payable and similar charges		**(500)**	*(9)*
Profit on ordinary activities before taxation		**17,209**	*23,280*
Tax on profit on ordinary activities	5	**(2,803)**	*(4,656)*
Profit for the financial year		**14,406**	*18,623*
Dividends	6	**(14,000)**	*(20,000)*
Retained profit/loss for the year		**406**	*(1,376)*
Retained profit brought forward		**675**	*2,049*
Retained profit carried forward		**1,081**	*673*

The notes on pages 4 to 6 form part of these accounts.

KALA ENTERPRISES LIMITED

BALANCE SHEET

AS AT 28TH FEBRUARY 2001

	Notes	£	2001 £	£	2000 £
Fixed assets					
Tangible assets	7		**261**		*348*
			261		*348*
Current assets					
Stocks		**4,500**		*4,500*	
Debtors	8	**5,686**		*3,302*	
Cash at bank and in hand		**28**		*1,558*	
		10,214		*9,360*	
Creditors: amounts falling due within one year	9	**(9,392)**		*(9,031)*	
Net current assets			**822**		*328*
Total assets less current liabilities			**1,083**		*676*
Capital and reserves					
Share capital	10		**2**		*2*
Profit and loss account			**1,081**		*674*
Shareholders' funds			**1,083**		*676*

For the financial year ended 28th February 2001, the company was entitled to exemption from audit under Section 249A(1) Companies Act 1985.

No notice has been deposited under Section 249B(2) Companies Act 1985.

The director acknowledges his responsibility 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.

These 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 20th December 2001 and signed on its behalf by:

Mr Kuldeep Sohanpal
Director

The notes on pages 4 to 6 form part of these accounts.

KALA ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 28TH FEBRUARY 2001

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The company has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Turnover

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

Tangible fixed assets and depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets, with the exception of freehold land, by the 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.

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to crystallise.

2 Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3 Operating profit

The operating profit is stated after charging or crediting:	**2001**	*2000*
	£	*£*
Depreciation of tangible fixed assets:		
-owned assets	**87**	*116*

4 Director's remuneration

	2001	*2000*
	£	*£*
Aggregate emoluments	**5,000**	*7,500*

5 Taxation

	2001	*2000*
	£	*£*
Based on the profit for the year:		
UK corporation tax at 20 % (2000: 20 %)	**2,803**	*4,656*
	2,803	*4,656*

6 Dividends

	2001	*2000*
	£	*£*
Ordinary dividends - paid	**14,000**	*20,000*
Total equity dividends	**14,000**	*20,000*

7 Tangible fixed assets

	Plant and machinery etc	Total
	£	£
Cost		
At 29th February 2000	789	789
At 28th February 2001	**789**	**789**
Depreciation		
At 29th February 2000	441	441
Charge for the year	87	87
At 28th February 2001	**528**	**528**
Net book value		
At 28th February 2001	**261**	**261**
At 28th February 2000	*348*	*348*

8 Debtors

	2001	*2000*
	£	*£*
Trade debtors	-	*3,000*
Other debtors	**302**	*302*
Directors' loan accounts	**5,384**	-
	5,686	*3,302*

9	**Creditors: amounts falling due within one year**	**2001**	*2000*
		£	*£*
	Other creditors	**9,392**	*10,033*
	Director's current account	**-**	*(1,002)*
		9,392	*9,031*

'Other creditors' include £9,392 (2000: £10,033) in respect of taxation and social security.

10	**Share capital**	**2001**	*2000*
		£	*£*
	Authorised		
	1,000 Ordinary shares of £1.00 each	**1,000**	*1,000*
		1,000	*1,000*
	Allotted		
	2 Allotted, called up and fully paid ordinary shares of £1.00 each	**2**	*2*
		2	*2*