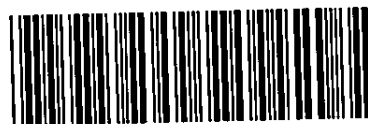


**KAYMAC INTERIORS LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007**

THURSDAY



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28/08/2008

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COMPANIES HOUSE

Perrys
Chartered Accountants and
Registered Auditors
32-34 St Johns Road
Tunbridge Wells
Kent
TN4 9NT

KAYMAC INTERIORS LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7
Trading and Profit and Loss Account	10

KAYMAC INTERIORS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2007**

DIRECTORS: K J McCusker
L McMahon Esq

SECRETARY: K J McCusker

REGISTERED OFFICE: 1st Floor
12 Old Bond Street
London
W1S 4PW

REGISTERED NUMBER: 04424721 (England and Wales)

AUDITORS: Perrys
Chartered Accountants and
Registered Auditors
32-34 St Johns Road
Tunbridge Wells
Kent
TN4 9NT

KAYMAC INTERIORS LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 OCTOBER 2007

The directors present their report with the financial statements of the company for the year ended 31 October 2007

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of interior design and construction

DIRECTORS

The directors during the period under review were

K J McCusker Esq

L McMahon Esq

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Perrys, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:



K J McCusker - Director

4 June 2008

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF KAYMAC INTERIORS LIMITED

We have audited the financial statements of Kaymac Interiors Limited for the year ended 31 October 2007 on pages five to nine. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

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 whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Report of the Directors 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
KAYMAC INTERIORS 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 October 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements



Perrys
Chartered Accountants and
Registered Auditors
32-34 St Johns Road
Tunbridge Wells
Kent
TN4 9NT

Date 22/8/08

KAYMAC INTERIORS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2007**

	Notes	2007 £	2006 £
TURNOVER		607,220	172,025
Cost of sales		<u>525,057</u>	<u>60,801</u>
GROSS PROFIT		82,163	111,224
Administrative expenses		<u>7,735</u>	<u>6,373</u>
OPERATING PROFIT	2	74,428	104,851
Interest payable and similar charges		<u>74</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		74,354	104,851
Tax on profit on ordinary activities	3	<u>14,563</u>	<u>20,584</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>59,791</u></u>	<u><u>84,267</u></u>

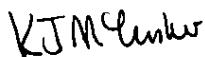
The notes form part of these financial statements

KAYMAC INTERIORS LIMITED**BALANCE SHEET
31 OCTOBER 2007**

	Notes	2007 £	2006 £
CURRENT ASSETS			
Stocks		58,762	-
Debtors	4	2,543,808	2,037,539
Cash at bank		315	116
		<u>2,602,885</u>	<u>2,037,655</u>
CREDITORS			
Amounts falling due within one year	5	2,352,634	1,847,195
		<u>250,251</u>	<u>190,460</u>
NET CURRENT ASSETS			
		<u>250,251</u>	<u>190,460</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>250,251</u>	<u>190,460</u>
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Profit and loss account	7	250,250	190,459
		<u>250,251</u>	<u>190,460</u>
SHAREHOLDERS' FUNDS			
		<u>250,251</u>	<u>190,460</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 of Directors on 4 June 2008 and were signed on its behalf by



K J McCusker - Director

KAYMAC INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

Stocks

Long term contracts are stated at net cost less foreseeable losses less any applicable payments on account. The amount recorded as turn in respect of long term contracts is ascertained by reference to the value of the work carried out to date. Attributable profit is recognised as the difference between recorded turnover and related costs

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

2 OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Auditors' remuneration	2,652	2,531
Directors' emoluments and other benefits etc	-	-

3 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2007 £	2006 £
Current tax		
UK corporation tax	14,563	20,589
Corporation tax under (over) provided	-	(5)
Tax on profit on ordinary activities	14,563	20,584

4 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Trade debtors	-	12,854
Amounts owed by group undertakings	2,538,321	2,024,685
Other debtors	4,000	-
VAT	1,487	-
	2,543,808	2,037,539

KAYMAC INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 OCTOBER 2007

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Trade creditors	2,332,441	1,820,383
Tax	14,563	20,589
VAT	-	691
Directors' current accounts	3,000	3,000
Accrued expenses	2,630	2,532
	<u>2,352,634</u>	<u>1,847,195</u>

6 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2007	2006
		£1	£	£
1,000	Ordinary		<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid Number	Class	Nominal value	2007	2006
		£1	£	£
1	Ordinary		<u>1</u>	<u>1</u>

7 RESERVES

	Profit and loss account £
At 1 November 2006	190,459
Profit for the year	<u>59,791</u>
At 31 October 2007	<u>250,250</u>

8 ULTIMATE PARENT COMPANY

The ultimate parent company is Inwood Properties Limited, registered in England and Wales

9 CONTINGENT LIABILITIES

As at the balance sheet date Inwood Properties Limited, the parent company of Kaymac Interiors Limited, held loans for £2,084,825 that are secured on the assets of the company

10 TRANSACTIONS WITH DIRECTORS

Included in other creditors is £3,000 (2006 - £3,000) owed to the director K J McCusker Esq

KAYMAC INTERIORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2007**

11 RELATED PARTY DISCLOSURES

As at the balance sheet date the company was owed £1,572,455 (2006 - £1,552,955) by the parent company, Inwood Properties Limited, which is included in debtors

During the year the company made supplies to Kaymac Construction Limited, another group undertaking, amounting to £75,445 (2006 - £83,267), and received supplies amounting to £515,273 (2006 - £60,801) As at the balance sheet date the company was owed £935,813 (2006 - £467,730) by Kaymac Construction Limited which is included in debtors, and owed £2,332,441 (2006 - £1,820,383) which is included in Trade creditors

As at the balance sheet date the company was owed £4,000 (2006 - £4,000) by St Pauls Road Limited, a company in which K J McCusker is a director

12 ULTIMATE CONTROLLING PARTY

The company is ultimately controlled by K J McCusker due to his control over the company's parent