

REGISTERED NUMBER 4737310

**Report of the Directors and
Financial Statements
for the Year Ended 31 March 2007
for
Kerion Properties Limited**

TUESDAY



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for the Year Ended 31 March 2007**

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Kerion Properties Limited

**Company Information
for the Year Ended 31 March 2007**

DIRECTORS

Mrs A Mehra
V Mehra

SECRETARY

Mrs A Mehra

REGISTERED OFFICE

28 Church Road
Stanmore
Middlesex
HA7 4XR

REGISTERED NUMBER

4737310

ACCOUNTANTS

Parker Cavendish
Chartered Accountants
28 Church Road
Stanmore
Middlesex
HA7 4XR

Kerion Properties Limited

**Report of the Directors
for the Year Ended 31 March 2007**

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property investment, dealing and letting

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2006 to the date of this report

Mrs A Mehra
V Mehra

Other changes in directors holding office are as follows

P Koo ceased to be a director after 31 March 2007 but prior to the date of this report

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

A handwritten signature in black ink, consisting of a stylized 'V' followed by a horizontal line.

V Mehra - Director

21 December 2007

Kerion Properties Limited

**Profit and Loss Account
for the Year Ended 31 March 2007**

	Notes	2007 £	2006 £
TURNOVER		168,753	170,887
Administrative expenses		<u>(44,634)</u>	<u>(50,595)</u>
OPERATING PROFIT	2	124,119	120,292
Interest receivable and similar income		<u>5,432</u>	<u>2,497</u>
		129,551	122,789
Interest payable and similar charges		<u>(104,074)</u>	<u>(99,904)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		25,477	22,885
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u><u>25,477</u></u>	<u><u>22,885</u></u>

The notes form part of these financial statements

Kerion Properties Limited

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2007**

	2007 £	2006 £
PROFIT FOR THE FINANCIAL YEAR	25,477	22,885
Revaluation of investment property	<u>786,504</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>811,981</u></u>	<u><u>22,885</u></u>

The notes form part of these financial statements

Kerion Properties Limited

**Balance Sheet
31 March 2007**

	Notes	2007 £	2006 £
FIXED ASSETS			
Investment property	4	2,450,000	1,663,496
CURRENT ASSETS			
Debtors	5	57,321	8,942
Cash at bank and in hand		199,592	205,619
		<u>256,913</u>	<u>214,561</u>
CREDITORS			
Amounts falling due within one year	6	(177,551)	(160,676)
NET CURRENT ASSETS		<u>79,362</u>	<u>53,885</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,529,362	1,717,381
CREDITORS			
Amounts falling due after more than one year	7	(1,650,000)	(1,650,000)
NET ASSETS		<u>879,362</u>	<u>67,381</u>
CAPITAL AND RESERVES			
Called up share capital	9	300	300
Revaluation reserve	10	846,056	59,552
Profit and loss account	10	33,006	7,529
SHAREHOLDERS' FUNDS		<u>879,362</u>	<u>67,381</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 March 2007

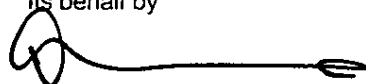
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2007 in accordance with Section 249B(2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

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 2005)

The financial statements were approved by the Board of Directors on 21 December 2007 and were signed on its behalf by



V Mehra - Director

The notes form part of these financial statements

Kerion Properties Limited

Notes to the Financial Statements for the Year Ended 31 March 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents rents receivable in the year

Investment property

The freehold investment property is stated at market value and any surplus or deficit arising on the revaluation of the property is transferred to a revaluation reserve. No depreciation is provided in respect of the property. This is a departure from the requirement of the Companies Act 1985 which requires all properties to be depreciated. This property is not held for consumption but for investment and the directors consider that to depreciate the property would not give a true and fair view.

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2 OPERATING PROFIT

The operating profit is stated after charging

	2007 £	2006 £
Directors' emoluments and other benefits etc	-	-

3 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2007 nor for the year ended 31 March 2006.

4 INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 April 2006	1,663,496
Revaluations	786,504
At 31 March 2007	2,450,000
NET BOOK VALUE	
At 31 March 2007	2,450,000
At 31 March 2006	1,663,496

The investment property was valued at the year end by the directors

Kerion Properties Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2007**

4 INVESTMENT PROPERTY - continued

Cost or valuation at 31 March 2007 is represented by

	£
Valuation in 2007	786,504
Valuation in 2005	59,552
Cost	1,603,944
	<u>2,450,000</u>

5 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Trade debtors	7,174	8,392
Other debtors	50,000	-
Prepayments and accrued income	147	550
	<u>57,321</u>	<u>8,942</u>

6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Trade creditors	17,023	12,909
Other creditors	141,627	138,826
Accruals and deferred income	18,901	8,941
	<u>177,551</u>	<u>160,676</u>

7 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007	2006
	£	£
Bank loans - 2-5 years	311,667	201,667
Bank loans repayable in five years or more	1,338,333	1,448,333
	<u>1,650,000</u>	<u>1,650,000</u>

Amounts falling due in more than five years

Repayable by instalments		
Bank loans repayable in five years or more	1,338,333	1,448,333
	<u>1,338,333</u>	<u>1,448,333</u>

8 SECURED DEBTS

The following secured debts are included within creditors

	2007	2006
	£	£
Bank loans	<u>1,650,000</u>	<u>1,650,000</u>

The bank loan is secured by a charge over the company's investment property

Kerion Properties Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2007

9 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2007 £	2006 £
1,000	Ordinary	1	<u>1,000</u>	<u>1,000</u>
Allotted, issued and fully paid Number	Class	Nominal value	2007 £	2006 £
300	Ordinary	1	<u>300</u>	<u>300</u>

10 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2006	7,529	59,552	67,081
Profit for the year	25,477		25,477
Revaluation in year	-	786,504	786,504
At 31 March 2007	<u>33,006</u>	<u>846,056</u>	<u>879,062</u>

11 TRANSACTIONS WITH DIRECTORS

During the year the company paid agents commission of £26,164 (2006 £27,411) to B & R Residential Lettings Limited, a company in which Mrs A Mehra is a director and controlling shareholder

Included within other debtors is a balance of £50,000 (2006 nil) due from Marchent Limited, a company which has some common shareholders and in which Mrs A Mehra is a director

Included within other creditors is a balance of £123,356 (2006 £123,356) due to Upgrade Investments Limited, a company which has common shareholders and in which Mrs A Mehra is a director

12 RELATED PARTY DISCLOSURES

Included within other creditors is a loan of £12,470 (2006 £12,470) from R Kumar, a shareholder of the company

13 ULTIMATE CONTROLLING PARTY

Prior to 4 July 2007 the company was jointly controlled by Mr R Kumar, Mr Z Zi-Pear and Vatican Limited, of which Mr P Koo is a shareholder. From 4 July 2007 the company is jointly controlled by Mr R Kumar and Mr Z Zi-Pear.