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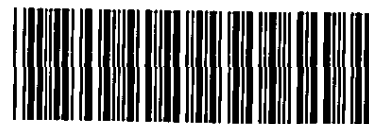
Peepul Enterprises Limited

Financial Statements for the year ended 31 March 2009



Peepul Enterprises Limited
A member of the LHA-ASRA Group Limited

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Contents

Trustees, Directors and Advisers	3
Operating and Financial Review	4
Statement of the Board's responsibilities in respect of the Board Report and the financial statements	6
Independent Auditors' Report	7
Profit and Loss Account	9
Balance Sheet	10
Notes to the Financial Statements	11

Trustees, Directors and Advisers

Trustees

Chairman

Kanchan Jadeja (resigned 05/08/09)
Keith Edwards (appointed 05/08/09)

Members

Meena Dhobi (resigned 05/08/09)
Kent Taylor (appointed 05/08/09)
Sophy Macmillan (appointed 05/08/2009)

Company Secretary

Meena Dhobi (resigned 05/08/2009)
Sophy Macmillan (appointed 05/08/2009)

External Auditors

KPMG LLP

Internal Auditors

PricewaterhouseCoopers (PwC) LLP

Bankers

Yorkshire Bank plc

Solicitors

Harvey Ingram LLP

Registered Office

Orchardson Avenue
Leicester
Leicestershire
LE4 6DP

Peepul Enterprises Limited

Operating and Financial Review

Introduction

The directors present their report with the financial statements of the company for the year ended 31 March 2009.

Principal Activity

The principal activity of the company in the year under review was that of the operation of activities held at the Peepul Centre of which the freehold land and buildings are owned by the company's parent charitable company, Belgrave Baheno Peepul Centre, including arts events, childcare, fitness and leisure, catering and the provision of facilities.

Directors

Ms K Jadeja, Ms D Patel and Ms M Dhobi have held office during the whole of the period from 1 April 08 to the 5 August 2009. Kent Taylor, Keith Edwards and Sophy Macmillan were appointed as Directors on 5 August 2009 and Sophy Macmillan was appointed Company Secretary on the same date.

The directors have no personal or beneficial interests in the shares of the company and receive no remuneration, fees or other emoluments from or on behalf of the company. No director has been granted any share options.

Objectives and aims

The main objectives of the company are to promote the objectives of the Parent Charity and in particular, to advance education and vocational training; protect health; relieve poverty, sickness and distress; relieving unemployment; and provide recreation and leisure facilities in the interest of social welfare.

Significant activities

The Peepul Centre officially opened on 27 October 2005. Activities carried out since then include arts events, childcare, fitness and leisure, catering and provision of facilities. Enterprises Limited.

Financial Review

The opening loss for the year amounted to £45,178 (2008: surplus of £113,274). A management charge of £1,200,000 (2008: £1,200,000) was received from the Parent Charity.

Future Development

The Company is continuing to seek additional capital and revenue funding to continue to finance the completion of the development of the Peepul Centre so that it can fully open and expand its activities.

A relationship agreement between the Parent Charity and LHA-ASRA Group Limited was signed on 1 April 2008. In the opinion of the trustees, this will secure the future of the Charity, which has become a subsidiary of LHA-ASRA Group Limited, and thus preserve its objectives and aims.

The Company's balance sheet is insolvent and the trustees are of the opinion that with the support of LHA-ASRA Group Limited, the future is secure.

LHA-ASRA Group Limited has pledged ongoing financial support to the Parent Charity.

Internal control and Risk Management

The LHA-ASRA Group Board is responsible for the Company's system of internal control and its effectiveness and therefore demands a strong control environment. However, the system is designed to manage rather than eliminate the risk of failure to achieve the Company's business objectives and can provide therefore only reasonable and not absolute assurance against material misstatement or loss. The system of internal control is therefore subject to continuing development.

The LHA-ASRA Group Board, through the Group Audit & Risk Committee, has regularly reviewed the effectiveness of the Company's internal financial controls and risk management processes for the year ended 31 March 2009 and up to the date of approval of the annual report and accounts. No significant weakness in the group internal controls resulting in material losses, contingencies or uncertainties, which require disclosure in the financial statements, have been identified up to the date of signing the accounts.

The following matter is raised as potentially significant in that the Internal Audit department has made comment within their annual opinion statement.

Internal Audit review at Peepul Enterprises identified a number of weaknesses within the financial and management control environment that could potentially have an impact on the achievement of key system, function or process objectives of the Company. However at the year ended 31 March 2009 and up to the date of signing the accounts all recommendations made by Internal Audit were being implemented by management and the associated weaknesses had been resolved.

The LHA-ASRA Group inherited the weaknesses identified at the time of the Company joining the LHA-ASRA Group and management were already in the process of replicating its own controls within the Company at the time of audit review. All weaknesses identified were not material to the overall LHA-ASRA Group control environment and are disclosed voluntarily.

The full Statement of Internal Control is disclosed in the LHA-ASRA Group financial statements.

Statement as to the disclosure of information to Auditors

So far as the trustees are aware, there is no relevant 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 they ought to have taken as a director in order to make them aware of any audit information and to establish that the Company's auditors are aware of that information.

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

Auditors

KPMG have expressed their willingness to continue in office as auditors to the Company. A resolution proposing their reappointment will be proposed at the Annual General Meeting.

Statement of Directors Responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). 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 surplus or deficit of the company for that period.

In preparing these Financial Statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

Statement as to the disclosure of information to Auditors

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

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

Auditors

KPMG have expressed their willingness to continue in office as auditors to the company. A resolution proposing their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



Sophy Macmillan
Company Secretary
5 August 2009

Independent Auditors Report to the Members of Peepul Enterprises Limited

We have audited the financial statements of Peepul Enterprises Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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 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 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 UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 5.

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 Directors' Report 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 Directors' Report 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 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.

**Independent Auditors Report to the Members of Peepul Enterprises Limited
(continued)**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss 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 Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP, Statutory Auditor
Chartered Accountants
Registered Auditor

KPMG LLP
2 Cornwall Street
Birmingham
B3 2DL

Date: *21/10/09*

Profit and Loss Account for the year ended 31 March 2009

	Notes	2009 £	2008 £
TURNOVER	3	1,111,572	787,996
Cost of sales		203,392	208,961
GROSS PROFIT		908,180	579,035
Administrative expenses		2,153,358	1,665,761
		(1,245,178)	(1,086,726)
Other operating income	4	1,200,000	1,200,000
OPERATING (LOSS) / PROFIT		(45,178)	113,274
Interest payable and similar charges		6,595	392
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(51,773)	112,882
Tax on (loss) / profit on ordinary activities	6	0	0
(LOSS) / PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		(51,773)	112,882

All amounts relate to continuing activities.

There are no other recognised gains or losses (2008: nil) other than as shown in the profit and loss account.

The notes on pages 11 to 16 form part of these financial statements.

Balance Sheet as at 31 March 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	7	10,083	-
CURRENT ASSETS			
Debtors	8	104,636	240,402
Cash in hand		980	1,180
		105,616	241,582
CREDITORS			
Amount falling due within one year	9	757,713	831,823
NET CURRENT LIABILITIES		(652,097)	(590,241)
TOTAL ASSETS LESS CURRENT LIABILITIES		(642,014)	(590,241)
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Profit and loss account	13	(642,015)	(590,242)
SHAREHOLDERS' FUND		(642,014)	(590,241)

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 5 August 2009 and were signed on its behalf by:

Keith Edwards
Director



Kent Taylor
Director



Notes to the Financial Statements for the year ended 31 March 2009

1 Basis of accounting

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting standards (United Kingdom Generally Accepted Accounting Practice) and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007).

2 Accounting Convention

The Financial statements are prepared under the historical cost convention.

3 Principle accounting policies

3.1 Turnover

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

3.2 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.

3.3 Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	-	Straight line over 7 years
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All tangible fixed assets are capitalised and included at cost.

3.4 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.

3.5 Cash Flow Statement

The company has not produced a cash flow statement since it has taken advantage of the exemption available to wholly owned subsidiaries, given by Financial Reporting Standard 1 (revised) Cash Flow Statements.

Notes to the Financial Statements for the year ended 31 March 2009

4 Other Operating Income

	2009 £	2008 £
Management Charge	1,200,000	1,200,00

5 Operating (Loss) / Profit

The operating loss (2008 – operating profit) is stated after charging:

	2009 £	2008 £
Auditors' remuneration	13,000	6,150
Auditors' remuneration for non-audit work	2,940	23,348
Directors' emoluments and other benefits etc	-	-

6 Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2009 nor for the year ended 31 March 2008.

Factors that may affect future tax charges

There are losses of £323,865 (2008: £583,231) available to be carried forward against future taxable trading profits.

Notes to the Financial Statements for the year ended 31 March 2009

7 Tangible Fixed Assets

	Fixtures & Fittings £
COST	
At 1 April 2008	-
Additions	11,720
At 31 st March 2009	11,720
DEPRECIATION	
At 1 April 2008	-
Charge for year	1,637
At 31 March 2009	1,637
NET BOOK VALUE	
At 31 March 2009	10,083
At 31 March 2008	-

8 Debtors : Amounts falling due within one year

	2009 £	2008 £
Trade debtors	87,715	87,282
Amounts owed by group undertakings	-	108,576
Other debtors	16,921	44,544
	104,636	240,402

Notes to the Financial Statements for the year ended 31 March 2009

9 Creditors : Amounts falling due within one year

	2009 £	2008 £
Bank loans and overdrafts	62,589	331,377
Trade Creditors	77,325	207,419
Amounts owed to parent	152,605	-
Amounts owed to related parties (note 16)	35,000	85,000
Taxation and social security	214,159	141,125
Other creditors	216,035	66,902
	<u>757,713</u>	<u>831,823</u>

10 Operating Lease Commitments

The following operating lease payments are committed to be paid within one year:

	2009 £	2008 £
Expiring:		
Between one and two years	<u>112,742</u>	<u>142,193</u>

11 Secured Debts

The following secured debts are included within creditors:

	2009 £'000	2008 £'000
Bank overdrafts	<u>62,589</u>	<u>331,377</u>

Notes to the Financial Statements for the year ended 31 March 2009

12 Called up Share Capital

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal Value	2009 £	2008 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

13 Reserves

	Profit and loss account £
At 1 April 2008	(590,242)
Loss for the year	<u>(51,773)</u>
At 31 March 2009	<u>(642,015)</u>

14 Staff Costs

	2009 £	2008 £
Wages and salaries	759,684	910,776
Social security costs	60,570	59,138
	<u>820,254</u>	<u>969,914</u>

The average monthly number of employees during the year was as follows:

	2009 £	2008 £
	<u>32</u>	<u>31</u>

No employees received remuneration in excess of £60,000 in this year or the previous year.

Notes to the Financial Statements for the year ended 31 March 2009

15 Ultimate Parent Company

There is a relationship agreement dated 1 April 2008 which, in the Directors' opinion, makes the company's ultimate parent company LHA-ASRA Group Limited, who from this date effectively control the company's parent charity, Belgrave Baheno Peepul Centre.

16 Related Party Disclosures

There was a balance owed by the company at the year end to the parent charity, Belgrave Baheno Peepul Centre of £152,605 (2008: amount owed to the company £108,576). The company has received a management charge from its parent charity of £1,200,000 (2008: £1,200,000).

Amounts owed to related parties include loans owed to Ms R Patel, former director of £31,000 (2008: £31,000), to Ms K Jadeja, Director and trustee of the parent charity of £nil (2008: £25,000), to Ms K Chouhan, former trustee of the parent charity of £nil (2008: £25,000) and to Ms I Naik, mother of Ms R Patel, former director of £4,000 (2008: £4,000). Interest is payable on these loans at a variable rate equivalent to the amount of interest foregone by taking the money off deposit to loan to the company.

During 2009 the loans to Ms K Jadeja and Ms K Chouhan were repaid with closing interest of £3,929 and £3,656 respectively.

17 Going Concern

The financial statements have been prepared on the going concern basis, the validity of which depends on the financial support of the parent charity's ultimate parent company, LHA-ASRA Group Limited. LHA-ASRA Group Limited signed a relationship agreement with the company's parent charity on 1 April 2008 and became its parent company from this date. Should the company be unable to continue to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amounts and to provide for any further liabilities which might arise.

At 31 March 2009, the balance sheet of the company is insolvent and directors are of the opinion that as a result of the parent charity being acquired, this company's future is secure.