

Peepul Enterprises Limited

Financial Statements for the year ended 31 March 2011



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

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Directors and Advisers

Directors

Matt Cooney	Appointed 1 September 2010
Keith Edwards	
Kent Taylor	Resigned 19 November 2010
Sophy Wilkins	Resigned 2 November 2010
Patrick Taylor	Appointed 7 September 2010

Company Secretary

Sophy Wilkins	Resigned 2 November 2010
Matt Cooney	Appointed 2 November 2010 / Resigned 1 April 2011
Martin Lewis	Appointed 1 April 2011

Registered Office
3 Bede Island Road
Leicester
LE2 7EA

External Auditors
KPMG LLP

Internal Auditors
PricewaterhouseCoopers (PwC) LLP

Bankers
Yorkshire Bank plc

Solicitors
Harvey Ingram LLP

Peepul Enterprises Limited

Directors' Report

Introduction

The directors present their report with the financial statements of the company for the year ended 31 March 2011

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 charity, Belgrave Baheno Peepul Centre, including arts events, childcare, fitness and leisure, catering and the provision of facilities

Directors

Kent Taylor and Sophy Wilkins resigned on 19 and 2 November 2010 respectively. Matt Cooney was appointed as Company Secretary on 2 November 2010. Martin Lewis was appointed Company Secretary on 1 April 2011 and Matt Cooney resigned 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.

Financial Review

The operating profit for the year amounted to £128,810 (2010 £231,518). A management charge of £600,000 (2010 £700,000) was received from the parent charity.

Future Development

The company is continuing to seek additional capital and revenue funding to continue to finance the Peepul Centre so that it can continue its full range of 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 secured the future of the charity, which has become a subsidiary of LHA-ASRA Group Limited, and thus preserves its objectives and aims.

The company's balance sheet is insolvent and the directors 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 (see Note 16)

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 Risk & Audit Committee, has regularly reviewed the effectiveness of the company's internal financial controls and risk management processes for the year ended 31 March 2011 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 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 directors are aware, there is no relevant information as defined by the Companies Act 2006 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 Companies Act 2006 relating to small companies.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board



Martin Lewis
Group Company Secretary
Date: 8 September 2011

Independent Auditor's Report to the Members of Peepul Enterprises Limited

We have audited the financial statements of Peepul Enterprises Limited for the year ended 31 March 2011 set out on pages 9 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

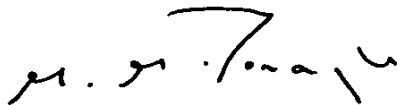
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



M A McDonagh (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

One Snow Hill
Snow Hill Queensway
Birmingham
B4 6GH

Date 28 September 2011

Profit and Loss Account for the year ended 31 March 2011

	Notes	2011 £	2010 £
TURNOVER	3	1,255,210	1,214,585
Cost of sales		135,624	106,917
GROSS PROFIT		1,119,586	1,107,668
Administrative expenses		1,584,833	1,576,150
		(465,247)	(468,482)
Other operating income	4	600,000	700,000
OPERATING PROFIT		134,753	231,518
Interest payable and similar charges	15	5,943	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		128,810	231,518
Tax on profit on ordinary activities	6	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		128,810	231,518

All amounts relate to continuing activities

Historical cost surpluses and deficits were identical to those in the Profit and Loss account

There are no other recognised gains or losses (2010 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 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	7	6,810	8,446
CURRENT ASSETS			
Stock		5,000	7,797
Debtors	8	71,554	61,577
Cash		2,820	8,933
		79,374	78,307
CREDITORS			
Amount falling due within one year	9	(367,870)	(497,249)
NET CURRENT LIABILITIES		(288,496)	(418,942)
TOTAL ASSETS LESS CURRENT LIABILITIES		(281,686)	(410,496)
CAPITAL AND RESERVES			
Called up share capital	11	1	1
Profit and loss account	12	(281,687)	(410,497)
SHAREHOLDERS' FUND		(281,686)	(410,496)

These financial statements have been prepared in accordance with the special provisions of Part XV of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (Effective April 2008)

The financial statements were approved by the Board of Directors on 8 September 2011 and were signed on its behalf by

Keith Edwards
Director



Martin Lewis
Group Company Secretary



Peepul Enterprises Limited
Registered Number. 05178708

Notes to the Financial Statements for the year ended 31 March 2011

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 April 2008)

2 Accounting Convention

The financial statements are prepared under the historical cost convention

3 Principal 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 2011

4 Other Operating Income

	2011 £	2010 £
Management Charge	600,000	700,000

5 Operating Profit

The operating profit (2010 – operating loss) is stated after charging

	2011 £	2010 £
Auditors' remuneration	9,925	8,500
Auditors' remuneration for non-audit work	7,626	4,259
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 2011 nor for the year ended 31 March 2010

Factors affecting the tax charge for the year

	2011 £	2010 £
Surplus before taxation	128,810	231,518
Tax charge at 28% (2010 28%)	36,067	64,825
Expenses not deductible for tax purposes	953	10,008
Capital allowance for period less than/(in excess of) depreciation	746	(292)
Decrease in other timing differences	(11,847)	(78,345)
(Utilisation of)/Increase in tax losses brought forward	(25,919)	3,804
Current tax charge for the year	-	-

There are losses of £250,314 (2010 £342,882) available to be carried forward against future taxable trading profits

Notes to the Financial Statements for the year ended 31 March 2011

7 Tangible Fixed Assets

	Fixtures & Fittings £
COST	
At 1 April 2010	11,720
Additions	-
At 31 st March 2011	<u>11,720</u>
DEPRECIATION	
At 1 April 2010	3,274
Charge for year	<u>1,636</u>
At 31 March 2011	<u>4,910</u>
NET BOOK VALUE	
At 31 March 2011	<u>6,810</u>
At 31 March 2010	<u>8,446</u>

8 Debtors : Amounts falling due within one year

	2011 £	2010 £
Trade debtors	33,655	51,023
Accrued income	29,812	4,803
Prepayments	7,516	5,751
Other debtors	<u>571</u>	<u>-</u>
	<u>71,554</u>	<u>61,577</u>

Notes to the Financial Statements for the year ended 31 March 2011

9 Creditors: Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	17,756	-
Trade creditors	19,161	35,717
Amounts owed to parent	101,932	60,927
Amounts owed to related parties (note 15)	-	35,000
Taxation and social security	31,647	22,351
Other creditors	197,374	343,254
	<u>367,870</u>	<u>497,249</u>

10 Operating Lease Commitments

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

	2011 £	2010 £
Expiring		
Within one year	-	83,039
Between one and two years	2,690	-
	<u>2,690</u>	<u>83,039</u>

Notes to the Financial Statements for the year ended 31 March 2011

11 Called up Share Capital

Authorised, allotted, issued and fully paid

Number	Class	Nominal Value	2011 £	2010 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

12 Reserves

	Profit and loss account £
At 1 April 2010	(410,497)
Profit for the year	<u>128,810</u>
At 31 March 2011	<u>(281,687)</u>

13 Staff Costs

	2011 £	2010 £
Wages and salaries	807,410	756,515
Social security costs	62,452	51,541
	<u>869,862</u>	<u>808,056</u>

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

	2011 Number	2010 Number
Permanent staff	37	40
Casual staff	13	7
	<u>50</u>	<u>47</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 2011

14 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. Copies of the accounts for the company's ultimate parent company and for the company's parent charity can be obtained from the registered office address set out on page 3.

15 Related Party Disclosures

There was a balance owed by the company at the year end to the parent charity, Belgrave Baheno Peepul Centre of £101,932 (2010 £60,927). The company has received a management charge from its parent charity of £600,000 (2010 £700,000).

Amounts owed to former trustees include loans owed to Ms R Patel, former director, of £nil (2010 £31,000) and to Ms I Naik, mother of Ms R Patel of £nil (2010 £4,000). Interest was 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 2010, the loans to Ms R Patel and Ms I Naik were repaid with closing interest of £5,332 and £611 respectively.

16 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 2011, the balance sheet of the company is insolvent. LHA-ASRA has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. On this basis, they consider that it is appropriate to prepare the financial statements on a going concern basis.