

**1 Kingsland  
Passage  
Limited**

**Annual Report and  
Unaudited Financial Statements**

31 October 2007



BUZZACOTT

Company Registration Number  
5262077 (England and Wales)

**Directors** D G Waldman  
D M Lewis  
H A Burrough  
M N R Brown  
H J R Geddes

**Secretary** Gino Milanese

**Registered office** 1 Kingsland Passage  
London  
E8 2BB

**Registered number** 5262077 (England and Wales)

**Bankers** National Westminster Bank  
224 Kings Road  
London  
SW3 5XJ

**Solicitors** John May Law  
17 Kensington Place  
London  
W8 7PT

**Accountants** Buzzacott LLP  
12 New Fetter Lane  
London  
EC4A 1AG

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## **Directors' report** 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 property investment

### **Review of business**

A summary of the results of the period's trading is given on page 4 of the financial statements

### **Dividends**

The directors do not recommend a final dividend

### **Directors**

The directors in office during the period were as follows

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D G Waldman

D M Lewis

H A Burrough

M N R Brown

H J R Geddes

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### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial period which 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 those 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,
- ◆ follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements,
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

**Directors' report** 31 October 2007

**Directors' responsibilities** (continued)

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.

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

Signed on behalf of the board of directors



H J R Geddes  
Director

Approved by the board on 21 August 2008

**Chartered Accountant's Report to the directors of 1 Kingsland Passage Limited on the Unaudited Financial Statements**

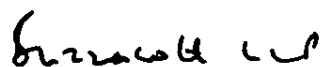
In accordance with our engagement letter, dated 28 January 2008, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company on pages 4 to 10 which comprise the profit and loss account, the balance sheet, and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's board of directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's board of directors that we have done so and state those matters that we have agreed to state to them in this 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 board of directors for our work or for this report

We have carried out this engagement with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

You have acknowledged on the balance sheet as at 31 October 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements



Buzzacott LLP  
Chartered Accountants  
12 New Fetter Lane  
London  
EC4A 1AG

27 August 2008

**Profit and loss account** For year ended 31 October 2007

	Notes	Year to 31 October 2007 £	Year to 31 October 2006 £
<b>Turnover</b>	1	<b>134,710</b>	100,000
<b>Gross profit</b>		<b>134,710</b>	100,000
Other operating charges		<b>(23,174)</b>	(18,793)
Interest receivable		<b>1,790</b>	3,317
Interest payable		<b>(55,874)</b>	(37,094)
<b>Profit on ordinary activities before taxation</b>		<b>57,452</b>	47,430
<b>Taxation</b>	2	<b>(11,378)</b>	(9,012)
<b>Profit on ordinary activities after taxation for the period</b>		<b>46,074</b>	38,418

**Balance sheet** For year ended 31 October 2007

	Notes	2007 £	2007 £	2006 £	2006 £
<b>Fixed assets</b>					
Land and buildings	3		1,400,000		975,000
<b>Current assets</b>					
Debtors	4	9,589		3,305	
Cash at the bank		36,726		—	
		<u>46,315</u>		<u>3,305</u>	
<b>Creditors</b> amounts falling due within one year	5	(172,461)		(75,717)	
<b>Net current liabilities</b>			<u>(126,146)</u>		<u>(72,412)</u>
<b>Creditors</b> amounts falling due after one year	6		<u>(720,396)</u>		<u>(820,204)</u>
<b>Total assets less liabilities</b>			<u>553,458</u>		<u>82,384</u>
<b>Capital and reserves</b>					
Equity interests					
Called up share capital	7		5		5
Revaluation reserve	8		425,000		—
Profit and loss account	8		<u>128,453</u>		<u>82,379</u>
<b>Shareholders' funds</b>	9		<u>553,458</u>		<u>82,384</u>

For the financial year ended 31 October 2007, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985, and the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B(2). The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Companies Act 1985, so far as applicable to the company.

The 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).

Signed on behalf of the board of directors by

Director



Approved by the board on 21 August 2008



**Statement of total recognised gains and losses** For year ended 31 October 2007

	2007	2006
	£	£
<b>Profit</b> for the financial year after taxation	<b>46,074</b>	38,418
Unrealised surplus on revaluation of property	<b>425,000</b>	—
<b>Total recognised gains</b> relating to the year	<b>471,074</b>	38,418

**Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards

**Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

**Turnover**

Turnover consists of rent of commercial properties at an agreed price. Turnover excludes value added taxation

**Land and buildings**

Land and buildings will be revalued periodically and the aggregate surplus will be transferred to a property revaluation reserve. No depreciation is provided in respect of land and buildings. This constitutes a departure from the Companies Act 1985, which requires fixed assets to be depreciated over their economic useful lives. This departure is necessary to enable the financial statements to give a true and fair view. The effect of this departure given an economic life of 50 years is that depreciation of £19,500 (2006 - £19,500) has not been charged to the profit and loss account

**Notes to the financial statements** 31 October 2007

**1 Turnover**

Turnover and the result before taxation arise solely from activities carried out in the United Kingdom

**2 Taxation**

The tax charge on ordinary activities for the year, adjusted for taxation purposes, was as follows

	2007 £	2006 £
Corporation tax at 19%	<b>11,378</b>	9,012

**3 Fixed assets**

	2007 £	2006 £
Land and buildings	<b>975,000</b>	975,000
Revaluation	<b>425,000</b>	—
	<b>1,400,000</b>	975,000

The land and buildings were revalued as at 31 October 2007 by the directors

**4 Debtors**

	2007 £	2006 £
Prepayments & accrued income	<b>9,584</b>	3,300
Unpaid share capital	<b>5</b>	5
	<b>9,589</b>	3,305

**5 Creditors, amounts falling due within one year**

	2007 £	2006 £
Bank loan	<b>115,636</b>	29,796
Bank overdraft	—	14,660
Corporation tax	<b>11,378</b>	9,012
Other creditors (note 9)	<b>39,141</b>	13,043
Accruals	<b>6,306</b>	9,206
	<b>172,461</b>	75,717

Security for bank loan – first registered mortgage over property at 1 Kingsland Passage, London

**Notes to the financial statements** 31 October 2007

**6 Creditors. amounts falling due after one year**

	2007 £	2006 £
Directors' loans	10,000	—
Bank loan	710,396	820,204
	<u>720,396</u>	<u>820,204</u>

The total payable after 5 years is £514,836, being 18 instalments of £28,602 each

**7 Called up share capital**

	Authorised 2007 £	Allotted called up 2007 £	Authorised 2006 £	Allotted, called up 2006 £
Ordinary shares of £1 each	<u>1,000</u>	<u>5</u>	<u>1,000</u>	<u>5</u>
Amount called up	—	5	—	5

**8 Reserves**

	Revaluation reserve £	Profit and loss account £
At 1 November 2006	—	82,379
Surplus on revaluation of property (note 3)	425,000	—
Profit for the year	—	46,074
At 31 October 2007	<u>425,000</u>	<u>128,453</u>

**9 Reconciliation of movements in shareholders' funds**

	2007 £	2006 £
<b>Equity Funds</b>		
Profit for the financial year after taxation	46,074	38,418
Other recognised gains relating to the year	425,000	—
Net additions to shareholders funds	<u>471,074</u>	38,418
Opening shareholders' funds	82,384	43,966
Closing shareholders' funds	<u>553,458</u>	<u>82,384</u>

**10 Related party transactions**

Investment income includes £134,710 (2006 £100,000) rent receivable from Levitt Bernstein Associates Limited. Included in professional fees are £5,000 (2006 £nil) of management fees paid to Levitt Bernstein Associates Limited. Hugh Geddes and Axel Burrough are shareholders and directors of Levitt Bernstein Associates Limited.

Interest of £nil (2006 £31,722) is due to The LBA Limited Retirement Benefits Scheme.

An amount of £26,250 (2006 £13,043) is owed to Levitt Bernstein Associates Limited, in respect of prepaid rent.

At the year end each of the five directors had lent £2,000 to the company, totalling £10,000 (2006 £nil).

**11 Ultimate controlling party**

There is no ultimate controlling party.