

**1 Kingsland  
Passage  
Limited**

**Annual Report and  
Unaudited Financial Statements**

31 October 2006



**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  
12 New Fetter Lane  
London  
EC4A 1AG

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part of the statutory financial statements

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## **Directors' report** 31 October 2006

The directors present their report with the financial statements of the company for the year ended 31 October 2006

### **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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**Appointed / Resigned**

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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' 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

A handwritten signature in black ink, appearing to read 'H J R Geddes', followed by a horizontal line extending to the right.

H J R Geddes  
Director

Approved by the board on 28<sup>th</sup> August 2007

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

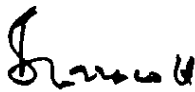
In accordance with our engagement letter, dated 28 July 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company on pages 4 to 9 which comprise the profit and loss account, the balance sheet, and the related notes from 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 2006 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  
Chartered Accountants  
12 New Fetter Lane  
London  
EC4A 1AG

30 August 2007

**Profit and loss account** Year to 31 October 2006

	Notes	Year to 31 October 2006 £	Period 18 October 2004 to 31 October 2005 £
<b>Turnover</b>	1	100,000	85,753
<b>Cost of sales</b>		—	—
<b>Gross profit</b>		100,000	85,753
Other operating charges		(18,793)	(2,000)
Interest receivable		3,317	—
Interest payable		(37,094)	(29,480)
<b>Profit on ordinary activities before taxation</b>		47,430	54,273
<b>Taxation</b>	2	(9,012)	(10,312)
<b>Profit on ordinary activities after taxation for the period</b>		38,418	43,961

There were no recognised gains or losses in the above financial period other than the profit or loss for the period

There is no difference between the loss on ordinary activities before taxation and the retained loss for the period stated above, and their historical cost equivalents

**Balance sheet** 31 October 2006

	Notes	2006 £	2006 £	2005 £	2005 £
<b>Fixed assets</b>					
Land and buildings	3		975,000		975,000
<b>Current assets</b>					
Debtors	4	3,305		56,278	
<b>Creditors</b> amounts falling due within one year	5	(75,717)		(987,312)	
<b>Net current assets</b>			(72,412)		(931,034)
<b>Creditors</b> amounts falling due after one year	6		(820,204)		—
<b>Total assets less liabilities</b>			82,384		43,966
<b>Capital and reserves</b>					
Equity interests					
Called up share capital	7		5		5
Profit and loss account			82,379		43,961
<b>Shareholders' funds</b>	8		82,384		43,966

For the financial year ended 31 October 2006, 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 28<sup>th</sup> August 2007



## **Principal accounting policies** 31 October 2006

### **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 (2005 - £12,000) has not been charged to the profit and loss account

**Notes to the financial statements** 31 October 2006

**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

	2006	2005
	£	£
Corporation tax at 19%	<u>9,012</u>	<u>10,312</u>

**3 Fixed assets**

	2006	2005
	£	£
Land and buildings	<u>975,000</u>	<u>975,000</u>

**4 Debtors**

	2006	2005
	£	£
Other debtors (note 9)	—	56,273
Prepayments & accrued income	3,300	—
Unpaid share capital	5	5
	<u>3,305</u>	<u>56,278</u>

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

	2006	2005
	£	£
Bank loan	29,796	—
Bank overdraft	14,660	—
Corporation tax	9,012	10,312
Other creditors (note 9)	13,043	975,000
Accruals	9,206	2,000
	<u>75,717</u>	<u>987,312</u>

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

**Notes to the financial statements** 31 October 2006

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

	2006 £	2005 £
<b>Bank loan</b>	<b>820,204</b>	—

The total payable after 5 years is £629,244, being 22 instalments of £28,602 each

**7 Called up share capital**

	Authorised 2006 £	Allotted called up 2006 £	Authorised 2005 £	Allotted, called up 2005 £
Ordinary shares of £1 each	1,000	5	1,000	5
Amount called up	—	5	—	5

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

	2006 £	2005 £
<b>Equity Funds</b>		
Profit for the financial year after taxation	38,418	43,961
Called up share capital	—	5
Opening shareholders funds	43,966	—
Closing shareholders' funds	82,384	43,966

**9 Related party transactions**

The property known as Kingsland Passage, was sold to 1 Kingsland Passage Limited by The LBA Retirement Benefits Scheme for £975,000 based on an external professional valuation Messrs Waldman, Lewis, Burrough, Brown and Geddes are trustees and beneficiaries of The LBA Retirement Benefits Scheme The benefits and liabilities relating to the property were transferred to 1 Kingsland Passage Limited with effect from 23 December 2004 The property sale was completed on 28 July 2006

Investment income includes £100,000 (2005 £85,753) rent receivable from Levitt Bernstein Associates Limited Hugh Geddes and Axel Burrough are shareholders and directors of Levitt Bernstein Associates Limited

Interest of £31,722 (2005 £29,480) is due to The LBA Retirement Benefits Scheme

An amount of £13,043 (2005 nil) is owed to Levitt Bernstein Associates Limited An amount of nil (2005 £56,273) is owed by the LBA Limited Retirement Benefits Scheme

**Notes to the financial statements** 31 October 2006

**10 Ultimate controlling party**

There is no ultimate controlling party

**Detailed profit and loss account** Period to 31 October 2006

This page does not form part of the statutory financial statements

	2006 £	2006 £	2005 £	2005 £
<b>Turnover</b>		100,000		85,753
<b>Cost of sales</b>		—		—
<b>Gross profit</b>		100,000		85,753
<b>Administration expenses</b>				
Accountancy fees	4,000		2,000	
Bank fees	11,493		—	
Legal fees	3,300		—	
		(18,793)		(2,000)
<b>Operating profit</b>		81,207		83,753
<b>Interest receivable</b>		3,317		—
<b>Interest payable</b>		(37,094)		(29,480)
<b>Profit on ordinary activities for the period before taxation</b>		47,430		54,273