

Companies House

COMPANY REGISTRATION NUMBER 1816008

**REALTY, THE LONDON PROPERTY BROKERS
LIMITED**

FINANCIAL STATEMENTS

YEAR ENDED

31ST JULY 2007

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REALTY, THE LONDON PROPERTY BROKERS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2007

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REALTY, THE LONDON PROPERTY BROKERS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

Mr L G Kirschel
Mr N H Fattal
Mrs E A Kirschel

Company Secretary

Mr S Pinshaw

Registered Office

131 Edgware Road
London
W2 2AP

Auditor

Bright Grahame Murray
Chartered Accountants
& Registered Auditors
131 Edgware Road
London
W2 2AP

REALTY, THE LONDON PROPERTY BROKERS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST JULY 2007

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st July 2007

Principal Activities

The company's principal activity continued to be that of estate agents

Directors

The directors who served the company during the year and up to the date of this report are listed on page 1

Directors' Responsibilities

The directors are responsible for preparing the Annual 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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,

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 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.

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Bright Grahame Murray as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

REALTY, THE LONDON PROPERTY BROKERS LIMITED

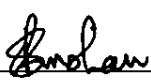
THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST JULY 2007

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Signed on behalf of the directors



Secretary

Approved by the directors on 29/5/2008

REALTY, THE LONDON PROPERTY BROKERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REALTY, THE LONDON PROPERTY BROKERS LIMITED

YEAR ENDED 31ST JULY 2007

We have audited the financial statements of Realty, The London Property Brokers Limited for the year ended 31st July 2007 on pages 6 to 11, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on pages 8 to 9

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 judgements 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.

REALTY, THE LONDON PROPERTY BROKERS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
REALTY, THE LONDON PROPERTY BROKERS LIMITED *(continued)***

YEAR ENDED 31ST JULY 2007

Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31st July 2007 and of its profit 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

Bright Grahame Murray

BRIGHT GRAHAME MURRAY
Chartered Accountants
& Registered Auditors

131 Edgware Road
London
W2 2AP

29th May 2008

REALTY, THE LONDON PROPERTY BROKERS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST JULY 2007

	Note	2007 £	2006 £
Turnover		366,059	271,166
Distribution costs		81,111	44,159
Administrative expenses		356,716	303,013
Other operating income	2	(120,000)	(100,000)
Operating Profit	3	48,232	23,994
Interest receivable		665	500
Interest payable and similar charges		(547)	(293)
Profit on Ordinary Activities Before Taxation		48,350	24,201
Tax on profit on ordinary activities		10,718	7,275
Profit for the Financial Year		37,632	16,926

The notes on pages 8 to 11 form part of these financial statements.

REALTY, THE LONDON PROPERTY BROKERS LIMITED

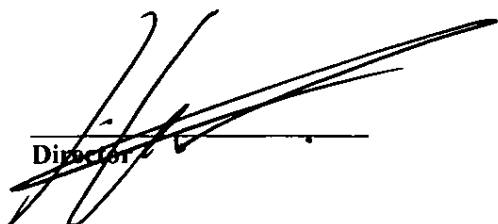
BALANCE SHEET

31ST JULY 2007

	Note	2007 £	£	2006 £	£
Fixed Assets					
Tangible assets	4		49,992		6,743
Current Assets					
Debtors	5	425,490		405,056	
Cash at bank and in hand		<u>137,516</u>		<u>32,811</u>	
		563,006		437,867	
Creditors: Amounts falling due within one year	6	<u>412,747</u>		<u>282,746</u>	
Net Current Assets			<u>150,259</u>		<u>155,121</u>
Total Assets Less Current Liabilities			<u>200,251</u>		<u>161,864</u>
Creditors: Amounts falling due after more than one year	7		<u>150,000</u>		<u>150,000</u>
			50,251		11,864
Provisions for Liabilities					
Deferred taxation	8		<u>787</u>		<u>32</u>
			<u>49,464</u>		<u>11,832</u>
Capital and Reserves					
Called-up equity share capital	10		30,000		30,000
Profit and loss account	12		<u>19,464</u>		<u>(18,168)</u>
Shareholders' Funds			<u>49,464</u>		<u>11,832</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors and authorised for issue on 29/07/2008, and are signed on their behalf by



Director

The notes on pages 8 to 11 form part of these financial statements.

REALTY, THE LONDON PROPERTY BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2007

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

Fixed Assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Leasehold Property	-	over 10 years
Motor Vehicles	-	25% p a on reducing balance basis
Equipment	-	15% p a on straight line basis

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

REALTY, THE LONDON PROPERTY BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2007

1. Accounting Policies *(continued)*

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. Other Operating Income

	2007 £	2006 £
Rent receivable	<u>120,000</u>	<u>100,000</u>

3. Operating Profit

Operating profit is stated after charging

	2007 £	2006 £
Depreciation of owned fixed assets	14,586	12,451
Auditor's fees	<u>6,000</u>	<u>8,001</u>

4. Tangible Fixed Assets

	Leasehold Property £	Motor Vehicles £	Equipment £	Total £
Cost				
At 1st August 2006	106,503	–	49,202	155,705
Additions	–	30,000	27,835	57,835
Disposals	<u>(106,503)</u>	–	–	<u>(106,503)</u>
At 31st July 2007	<u>–</u>	<u>30,000</u>	<u>77,037</u>	<u>107,037</u>
Depreciation				
At 1st August 2006	106,503	–	42,459	148,962
Charge for the year	–	7,500	7,086	14,586
On disposals	<u>(106,503)</u>	–	–	<u>(106,503)</u>
At 31st July 2007	<u>–</u>	<u>7,500</u>	<u>49,545</u>	<u>57,045</u>
Net Book Value				
At 31st July 2007	<u>–</u>	<u>22,500</u>	<u>27,492</u>	<u>49,992</u>
At 31st July 2006	<u>–</u>	<u>–</u>	<u>6,743</u>	<u>6,743</u>

REALTY, THE LONDON PROPERTY BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2007

5. Debtors

	2007	2006
	£	£
Trade debtors	43,102	90,333
Other debtors	<u>382,388</u>	<u>314,723</u>
	<u>425,490</u>	<u>405,056</u>

The debtors above include the following amounts falling due after more than one year

	2007	2006
	£	£
Other debtors	<u>100,000</u>	<u>100,000</u>

6. Creditors: Amounts falling due within one year

	2007	2006
	£	£
Trade creditors	204,812	134,839
Corporation tax	10,723	29,593
Other taxation and social security	2,374	7,637
Other creditors	<u>194,838</u>	<u>110,677</u>
	<u>412,747</u>	<u>282,746</u>

7. Creditors: Amounts falling due after more than one year

	2007	2006
	£	£
Other creditors	<u>150,000</u>	<u>150,000</u>

8. Deferred Taxation

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2007	2006
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>787</u>	<u>32</u>
	<u>787</u>	<u>32</u>

REALTY, THE LONDON PROPERTY BROKERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST JULY 2007

9. Related Party Transactions

The company is controlled by Messrs Kirschel and Fattal, the shareholders

Included in other debtors is £203,672 (2006 - £193,672) owed by Consolidated Property Corporation Inc Limited, a company in which L Kirschel has an interest as director and shareholder, and £145,230 (2006 - £95,180) owed by Consolidated Property Corporation Limited, a company in which L Kirschel and N Fattal have interests as directors and shareholders

Included in other creditors is £289,887 (2006 - £222,243), of which £150,000 (2006 - £150,000) is due after more than one year, owed to Consolidated Developments Limited, a company in which L Kirschel has an interest as director and shareholder Management fees of £203,667 (2006 - £190,000) were charged to Consolidated Developments Limited

At the balance sheet date an amount of £Nil (2006 £4,061) was due to Mrs E A Kirschel, a director of the company

During the year, the company charged rent of £80,000 (2006 - £66,667) to Consolidated Property Corporation Limited and £40,000 (2006 - £33,333) to Consolidated Property Corporation Inc Limited

In addition, the company paid rent of £50,000 (2006 - £50,000) to Mr Kirschel The company also paid rent of £54,000 (2006 - £54,000) to Soho Square Partners, in respect of its new headquarters Mr Kirschel is a partner in this entity Management charges of £30,000 (2006 - £27,500) were charged during the year by Consolidated Property Corporation Limited

10. Share Capital

Authorised share capital:

	2007	2006
	£	£
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

11. Clients' Monies

At 31st July 2007, the company held a total of £317,632 (2006 - £137,622) for the benefit of certain clients in designated client accounts These amounts are not included within the balance sheet

12. Profit and Loss Account

	2007	2006
	£	£
Balance brought forward	(18,168)	(35,094)
Profit for the financial year	<u>37,632</u>	<u>16,926</u>
Balance carried forward	<u>19,464</u>	<u>(18,168)</u>
