

FRINDSBURY PROPERTIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2007

TUESDAY



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COMPANIES HOUSE

FRINDSBURY PROPERTIES LIMITED

COMPANY INFORMATION

DIRECTORS

L Rowswell
N Rowswell
G Rowswell

SECRETARY

Y Rowswell

COMPANY NUMBER

3945945

REGISTERED OFFICE

47A London Road
Sevenoaks
Kent
TN13 1AR

AUDITORS

FW Stephens
Registered Auditor & Chartered Accountant
24 Chiswell Street
London
EC1Y 4YX

ACCOUNTANTS

Thain Osborne & Co
47A London Road
Sevenoaks
Kent
TN13 1AR

FRINDSBURY PROPERTIES LIMITED

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FRINDSBURY PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2007**

The directors present their report and the financial statements for the year ended 31 October 2007

PRINCIPAL ACTIVITIES

The company's principal activity continues to be that of owning and renting out a property.

DIRECTORS

The directors who served during the year were

L Rowswell
N Rowswell
G Rowswell

AUDITORS

The auditors, FW Stephens, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985

STATEMENT OF 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 judgments 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.

FRINDSBURY PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2007**

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

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

This report was approved by the board on 29.05.08 and signed on its behalf



Y Rowswell
Secretary

FRINDSBURY PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FRINDSBURY PROPERTIES LIMITED

We have audited the financial statements of Frindsbury Properties Limited for the year ended 31 October 2007, set out on pages 5 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 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 AUDITORS

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 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.

FRINDSBURY PROPERTIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FRINDSBURY PROPERTIES
LIMITED

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 31 October 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

FW Stephens

FW STEPHENS
Registered Auditor
Chartered Accountant
24 Chiswell Street
London
EC1Y 4YX

Date *12 JUNE 2008*

FRINDSBURY PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2007**

	Note	2007 £	2006 £
TURNOVER	1	112,500	112,500
Administrative expenses		(17,209)	(12,258)
OPERATING PROFIT	2	95,291	100,242
Interest receivable	3	22	5
Interest payable		(32,553)	(32,464)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		62,760	67,783
Tax on profit on ordinary activities	4	(12,286)	(12,879)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	50,474	54,904

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

FRINDSBURY PROPERTIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 OCTOBER 2007

	2007 £	As restated2006 £
PROFIT FOR THE FINANCIAL YEAR	50,474	54,904
Unrealised surplus/(deficit) on revaluation of tangible fixed assets	-	(150,000)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	50,474	(95,096)

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

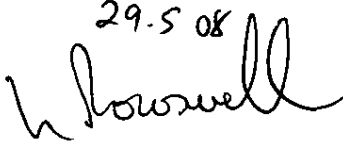
FRINDSBURY PROPERTIES LIMITED

**BALANCE SHEET
AS AT 31 OCTOBER 2007**

	Note	£	2007 £	As restated 2006 £
FIXED ASSETS				
Tangible fixed assets	5		1,450,000	1,450,000
CURRENT ASSETS				
Debtors	6	13,058		13,058
Cash at bank		118,603		78,416
		<u>131,661</u>		<u>91,474</u>
CREDITORS: amounts falling due within one year	7	(44,265)		(42,619)
NET CURRENT ASSETS			<u>87,396</u>	<u>48,855</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,537,396</u>	<u>1,498,855</u>
CREDITORS: amounts falling due after more than one year	8		(590,317)	(602,250)
NET ASSETS			<u>947,079</u>	<u>896,605</u>
CAPITAL AND RESERVES				
Called up share capital	9		1	1
Revaluation reserve	10		675,615	675,615
Profit and loss account	10		271,463	220,989
SHAREHOLDERS' FUNDS			<u>947,079</u>	<u>896,605</u>

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 in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

29.5.08


L Rowswell
Director

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

FRINDSBURY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007

1 ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2 COMPLIANCE WITH ACCOUNTING STANDARDS

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 TURNOVER

Turnover represents rental amounts receivable for the property owned by the company

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Land and buildings were previously included as an investment property in the balance sheet under SSAP 19

However, due to the nature of the rental agreement with a group company, this property has now been restated as a tangible fixed asset and has been revalued under FRS 15

The property was valued during the year by an independent qualified professional as instructed by Barclays Bank at £1,450,000. This value has been used for restating 2006

This represents a change in accounting policy and as a result the prior period figures have been restated accordingly

A depreciation charge has not been made on the grounds that the residual value is not materially different from the carrying amount of the asset. This will be reviewed in subsequent years

2. OPERATING PROFIT

The operating profit is stated after charging

	2007	2006
	£	£
Auditors' remuneration	3,750	2,000

3. INVESTMENT INCOME

	2007	2006
	£	£
Other interest receivable	22	5

FRINDSBURY PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007**

4. TAXATION

	2007	2006
	£	£
UK corporation tax charge on profit for the year	12,286	12,879

5. TANGIBLE FIXED ASSETS

	Land and buildings
	£
COST OR VALUATION	
At 1 November 2006 and 31 October 2007	1,450,000
DEPRECIATION	
At 1 November 2006 and 31 October 2007	-
NET BOOK VALUE	
At 31 October 2007	1,450,000
At 31 October 2006	1,450,000

All capital allowances have been claimed against the cost of the building. If the building were sold, all of the disposal proceeds up to the value of the initial cost and indexation thereon would be subject to tax, giving a potential liability of £156,220 at the present maximum company rate of 30%. No provision has been made for this tax as there is no intention of selling the building in the foreseeable future.

6. DEBTORS

	2007	2006
	£	£
Trade debtors	11,016	11,016
Other debtors	2,042	2,042
	13,058	13,058

FRINDSBURY PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007

7. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Bank loans and overdrafts	13,557	14,628
Corporation tax	12,286	12,878
Social security and other taxes	6,213	6,563
Other creditors	12,209	8,550
	<u>44,265</u>	<u>42,619</u>

8. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2007 £	2006 £
Bank loans	452,289	464,222
Other loans	138,028	138,028
	<u>590,317</u>	<u>602,250</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2007 £	2006 £
Repayable by instalments	332,110	348,849
Repayable other than by instalments	138,028	138,028
	<u>470,138</u>	<u>486,877</u>

The bank loan is secured against the land and buildings and bears interest at 1.25% per annum over Barclays Bank Plc's base rate

9. SHARE CAPITAL

	2007 £	2006 £
AUTHORISED		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
ALLOTTED, CALLED UP AND FULLY PAID		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

FRINDSBURY PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2007**

10. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 November 2006 (as previously stated)	1,025,615	220,989
Prior year adjustment	(350,000)	
At 1 November 2006 (as restated)	<u>675,615</u>	
Profit for the year	-	50,474
At 31 October 2007	<u><u>675,615</u></u>	<u><u>271,463</u></u>

11. CONTINGENT LIABILITIES

Barclays Bank hold a charge over the company's land and buildings dated 31st March 2005, in respect of £465,846 borrowed by Frindsbury Properties Ltd, and a guarantee given by Frindsbury Properties Ltd, in respect of borrowings of £465,846 by GKR Scaffolding Ltd

12. RELATED PARTY TRANSACTIONS

During the year, the company earned £112,500 (2006 £112,500) in rental income from letting out its property to GKR Scaffolding Limited, its immediate parent company. At the year end, £11,016 (2006 £11,016) was owed to the company in respect of this income.

During the year, the company also continued to borrow £138,028 (2006 £138,028) from its immediate parent company, GKR Scaffolding Limited. This was also the amount owed to the parent company at the year end.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is GKR Scaffolding Limited, a company registered in England and Wales, and the ultimate parent company is GKR Logistics Limited, a company registered in England and Wales.

GKR Logistics Limited does not prepare group financial statements. GKR Logistics Limited is under the control of Mr N Rowswell and Mr L Rowswell.