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LODORE LIMITED
DIRECTORS' REPORT AND UNAUDITED ACCOUNTS
for the year ended
5th April 2014

Company Registration Number 0166329

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LODORE LIMITED

Accounts

Year ended 5th April 2014

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LODORE LIMITED

Directors' Report

Year ended 5th April 2014

The directors present their report and the unaudited accounts of the company for the year ended 5th April 2014.

Principal activities and business review

The principal activity of the company during the year was that of an investment company, holding stocks and shares, agricultural property, and woodlands.

The profit for the year before taxation amounts to £185,017 (2013 £62,025). The profit for the year includes realised gains of £114,725 (2013 £44,000)

There is a taxation provision on the profit for the year of £2,002. This is low because of the effect of the profits being represented by exempt investment income, capital gains, which are mitigated by relief for increased base costs and indexation, and that income from woodlands is also exempt.

The directors continue to actively manage the portfolio of investments in conjunction with advice received from the company's investment advisors. Investment income has decreased from the previous year which is expected following the realisation of investments during the year.

The market value of investments as stated in note 6 amounts to £1,868,212 (2013 £2,287,465).

The rented farm property account generated a surplus of £25,719, compared to the loss in 2013 of £18,979 due to high repairs and maintenance costs in that year. The woodlands generated net income of £34,403 compared to net expenses in 2013 of £2,088. The income in the year arises from the compulsory felling of diseased trees.

The directors consider the results for the year to be satisfactory and propose dividends as follows:

	2014	2013
	£	£
Interim dividend - paid 10% (2013 10%)	14,050	14,050
Final dividend - proposed 50% (2013 35%)	70,250	49,175
	<u>84,300</u>	<u>63,225</u>

The directors also authorised payment of two special dividends of 150% each, which were paid on 28th March 2014 and 11th April 2014.

LODORE LIMITED

Directors' Report *(continued)*

Year ended 5th April 2014

The directors and their interests in the shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

		At 5 April 2014	At 6 April 2013
Mr. H.M. Walker	Voting	13	13
	Non-voting	37	37
Mr. W.F. Gough		-	-
Mr. J.A. Pattinson	Non-voting	8,040	10,040
R. M. Walker	Voting	3,757	3,757
	Non-voting	8,267	8,267
S.G. Walker	Voting	3,757	3,757
	Non-voting	<u>8,268</u>	<u>8,268</u>

Mr. H.M. Walker is also interested as a trustee in 4,773 voting shares.

Mr. R.M. Walker retires by rotation and, being eligible, offers himself for re-election.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Signed by order of the directors



W.F. Gough
Company Secretary

Approved by the directors on 29th August 2014

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool

LODORE LIMITED

Report to the Board of Directors on the Preparation of the Unaudited Statutory Accounts of Lodore Limited

Year ended 5th April 2014

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Lodore Limited for the year ended 5th April 2014 as set out on pages 4 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the Board of Directors of Lodore Limited, as a body, in accordance with the terms of our engagement letter dated 5th June 2013. Our work has been undertaken solely to prepare for your approval the accounts of Lodore Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with AAF 02/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lodore Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Lodore Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Lodore Limited. You consider that Lodore Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Lodore Limited. 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 statutory accounts.



MITCHELL CHARLESWORTH LLP
Chartered Accountants

5 Temple Square
Temple Street
Liverpool
L2 5RH

29th August 2014

LODORE LIMITED

Profit and Loss Account

Year ended 5th April 2014

	Note	2014 £	2013 £
Income	2	137,148	64,619
Administrative expenses		69,714	48,718
Operating profit		67,434	15,901
Profit on sale of investments		114,725	44,000
		182,159	59,901
Interest receivable		2,858	2,124
Profit on ordinary activities before taxation		185,017	62,025
Tax on profit on ordinary activities		2,002	(3,362)
Profit for the financial year		183,015	65,387

The notes on pages 6 to 11 form part of these accounts.

LODORE LIMITED

Balance Sheet

5th April 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	5		3,077,395		3,074,683
Investments	6		1,366,096		1,736,094
			<u>4,443,491</u>		<u>4,810,777</u>
Current assets					
Debtors	7	113,835		30,917	
Cash at bank		336,062		126,915	
		<u>449,897</u>		<u>157,832</u>	
Creditors: amounts falling due within one year	8	27,479		11,738	
Net current assets			422,418		146,094
Total assets less current liabilities			<u>4,865,909</u>		<u>4,956,871</u>
 Capital and reserves					
Called-up equity share capital	11		140,501		140,501
Revaluation reserve			2,778,925		2,778,925
Other reserves			150,000		150,000
Profit and loss account	12		1,796,483		1,887,445
Shareholders' funds			<u>4,865,909</u>		<u>4,956,871</u>

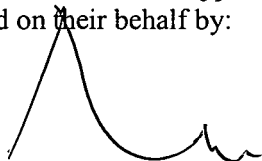
For the year ended 5th April 2014 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the directors and authorised for issue on 29th August 2014, and are signed on their behalf by:



Mr. H.M. Walker

Company Registration Number: 0166329

The notes on pages 6 to 11 form part of these accounts.

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

1. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Statement of Standard Accounting Practice 19 requires that investment property should be included in accounts at open market value. Investment properties are included at open market value as determined by the directors and shown in note 5 to the accounts.

Income

Investment income from Equity investments is shown at the net amounts received by the company. Interest received from Government Stocks is grossed up and includes any tax deducted at source. Income from rented farms and woodlands is shown net of directly attributable costs.

Fixed assets

Freehold Investment Properties are recorded at valuation.

Depreciation

Freehold Investment Properties are not depreciated.

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

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 will result in an obligation to pay more, or a right to pay less tax.

Deferred tax is measured on an undiscounted basis at the 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.

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

1. Accounting policies *(continued)*

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date. All differences are taken to the profit and loss account.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as 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.

Dividends

Dividends to the holders of equity instruments declared after the balance sheet date, are not recognised as a liability of the company at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the accounts, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the accounts.

Grants

Revenue grants are recognised in the period to which they relate.

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

2. Income

Investment income

	2014	2013
	£	£
UK Equities	39,792	43,762
Overseas Equities	17,906	17,150
UK Unit Trusts - interest	13,503	15,038
Overseas Unit Trusts - interest	5,183	8,900
UK REITS	642	836
	<u>77,026</u>	<u>85,686</u>

Estate accounts

	2014	2013
	£	£
Rented farm property	25,719	(18,979)
Woodlands	34,403	(2,088)
	<u>60,122</u>	<u>(21,067)</u>

Total income

	2014	2013
	£	£
Investment income	77,026	85,686
Estate accounts	60,122	(21,067)
	<u>137,148</u>	<u>64,619</u>

3. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014	2013
	£	£
Aggregate remuneration	<u>25,500</u>	<u>21,500</u>

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

4. Dividends

Equity dividends

	2014 £	2013 £
Paid		
Equity dividends	<u>273,977</u>	<u>63,225</u>
Proposed after the year end (not recognised as a liability)		
Equity dividends	<u>281,002</u>	<u>49,175</u>

A final dividend for the year ended 5 April 2013 at the rate of 35% was paid on 28 September 2013.

An interim dividend for the year ended 5 April 2014 at the rate of 10% was paid on 28 March 2014.

Two special dividends, both at the rate of 150%, were paid on 28 March 2014 and 11 April 2014.

A final dividend for the year ended 5 April 2014 at the rate of 50% is proposed for payment on 27 September 2014.

5. Tangible fixed assets

	Freehold Investment Property £
Cost or valuation	
At 6th April 2013	3,074,683
Additions	<u>2,712</u>
At 5th April 2014	<u>3,077,395</u>
Net book value	
At 5th April 2014	<u>3,077,395</u>
At 5th April 2013	<u>3,074,683</u>

Represented by:

	Tenanted farms £	Managed woodlands £	Total £
At valuation - 5th April 2014	<u>3,034,395</u>	<u>40,000</u>	<u>3,077,395</u>

The directors revalued the freehold investment property owned by the company at 5 April 2010. The valuation was based on informal advice received from the company's property advisors, taking into account the nature of the tenancies which afford protection under the Agricultural Holdings Act 1986. The directors do not consider that there is a material change in the valuation, which is maintained at the same amount in the accounts as at 5 April 2014 plus additions in the year.

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

6. Investments

Fixed asset investments

	£
Cost	
At 6th April 2013	1,736,094
Additions	742,193
Disposals	(1,112,191)
At 5th April 2014	<u>1,366,096</u>
Net book value	
At 5th April 2014	<u>1,366,096</u>
At 5th April 2013	<u>1,736,094</u>

	Book value 2014 £	Book value 2013 £	Market value 2014 £	Market value 2013 £
Quoted	1,341,096	1,686,094	1,843,212	2,337,465
Property Enterprise Trusts	–	50,000	–	50,000
Unquoted	25,000	–	25,000	–
	<u>1,366,096</u>	<u>1,736,094</u>	<u>1,868,212</u>	<u>2,387,465</u>

The change in the book value of quoted investments is represented by acquisitions of £742,193 (2013 £34,336) and disposals, expressed in terms of cost, of £1,112,191 (2013 £1,384).

The directors consider that the market value of the unquoted investment subscribed for during the year is fairly stated at the original cost.

7. Debtors

	2014 £	2013 £
Corporation tax repayable	4,002	3,175
Funds held by property managers	59,727	12,972
Other taxes	–	762
Other debtors	39,247	8,198
Prepayments and accrued income	10,859	5,810
	<u>113,835</u>	<u>30,917</u>

LODORE LIMITED

Notes to the Accounts

Year ended 5th April 2014

8. Creditors: amounts falling due within one year

	2014	2013
	£	£
Accrued charges	16,174	11,738
PAYE and social security	510	—
VAT	10,795	—
	<u>27,479</u>	<u>11,738</u>

9. Deferred taxation

No provision has been made in these accounts for any tax that may become payable on capital gains if the investment properties were sold in the future at the valuation stated. The potential deferred tax arising if the investment property was sold at the current valuation is £287,000 (2013 £295,000).

10. Related party transactions

There is no ultimate controlling party of the shares in the company.

There are no matters to report in respect of transactions carried out by the company on behalf of its directors.

The company provides insurance for its directors in respect of their duties as officers of the company.

11. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary voting shares of £1 each	12,300	12,300	12,300	12,300
Ordinary non-voting shares of £1 each	128,201	128,201	128,201	128,201
	<u>140,501</u>	<u>140,501</u>	<u>140,501</u>	<u>140,501</u>

The authorised share capital is £150,000 (2013 £150,000).

12. Profit and loss account

	2014	2013
	£	£
Balance brought forward	1,887,445	1,885,283
Retained profit for the financial year	183,015	65,387
Equity dividends	(273,977)	(63,225)
Balance carried forward	<u>1,796,483</u>	<u>1,887,445</u>