
BLUSTON SECURITIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

WEDNESDAY



L2SOJZH2
LD5 23/11/2011 87
COMPANIES HOUSE

BLUSTON SECURITIES LIMITED

CONTENTS

	Page
Company information page	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 6
Consolidated profit and loss account	7
Statement of total recognised gains and losses	8
Note of historical cost profits and losses	8
Consolidated balance sheet	9
Company balance sheet	10
Notes to the financial statements	11 - 22

BLUSTON SECURITIES LIMITED

COMPANY INFORMATION

Directors	M D Paisner R Glatter
Company secretary	M D Paisner
Company number	00650310
Registered office	25 Moorgate London EC2R 6AY
Auditor	Nexia Smith & Williamson Statutory Auditor & Registered Auditors 25 Moorgate London EC2R 6AY
Bankers	Barclays Private Bank 59 Grosvenor Street London W1K 3JD
Solicitors	Berwin Leighton Paisner LLP Adelaide House London Bridge London EC4R 9HA

BLUSTON SECURITIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and the financial statements for the year ended 31 March 2011

Principal activities

The principal activity of the Group continues to be property investment and management. The consolidated accounts present the results of the Company and its wholly owned subsidiary, Bluston Securities (Bordon) Limited.

Results and dividends

The profit for the year, after taxation, amounted to £482,408 (2010 - £1,021,046)

The fall in profitability when compared with the prior year is due to both a decrease in turnover coupled with an increase in expenses. The reduction in turnover is due mainly to the rent reviews completed on 16 Albermale Street and the Royal Arcade during 2010 which led a significant increase in the revenue earned from those properties during the year. The property portfolio continues to be fully let and the lack of voids and issues with debtor recoverability continue to be pleasing in the challenging financial climate.

The main change in expenses for the year is the loss incurred on disposal of part of the listed investments of £253,001 which compares to a profit on disposal of £223,505 in the prior year. This equates to a differential of £476,506. The remaining cost base has remained fairly stable with cost of sales increasing by £48,902 being offset by the reduction in administrative expenses of £73,925.

The net result of the decrease in turnover and the increase in expenses has led to a reduction in profit before tax of £613,215 to £769,624 (2010 £1,382,839), which has in turn led to a reduced tax charge for the year of £287,216 (2010 £361,793).

The Group has continued to invest in the property portfolio making a further acquisition in the year through its wholly owned subsidiary, Bluston Securities (Bordon) Limited. The acquisition of the investment property was partly funded through a loan of £1,350,000 taken out with Barclays Wealth that is designed to be repaid when the bonds held in the investment portfolio mature during 2015. This approach was adopted as the most cost effective form of financing the acquisition.

The property portfolio was professionally valued by the Newton Perkins Property Consultants as at 31 March 2010 which led to an increase in the carrying value of the properties of £22,810,651 in the prior year. The accounting standards do not require professional valuations to be undertaken annually and the directors do not consider doing so would be of sufficient value to shareholders to warrant this being performed. The directors have therefore valued the property portfolio based on the movement in the market value in the year on the information available to them. This has led to an increase of £3,935,979 on the value of the properties and the net assets of the Group. It should be noted that while deferred tax on this gain is not recognised in the balance sheet, any gains made on the disposal of the investment properties would be subject to corporation tax at the effective rate (currently 28%). The potential tax liability has been disclosed in note 9 to the accounts and amounts to approximately £6,800,000.

Overall the directors were satisfied with the performance of the Group during the year.

During the year the directors declared and paid dividends of £875,600 (£1,133,650).

BLUSTON SECURITIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2011**

Directors

The directors who served during the year were

M D Paisner
R Glatter

Principal risks and uncertainties

The principal risks and uncertainties in the business continues to be the ability to obtain suitable rental yields from the investment property portfolio in the current challenging economic climate. Additionally the risk of voids and bad debts are a key risk for any investment property company.

Future developments

The directors anticipate that the Group will continue to invest in investment properties for the foreseeable future.

Provision of information to auditor

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 and the Group's auditor is unaware, and
- that 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 and the Group's auditor in connection with preparing its report and to establish that the Company and the Group's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *16th November 2011* and signed on its behalf


R Glatter
Director

BLUSTON SECURITIES LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011**

The directors are responsible for preparing the Directors' 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BLUSTON SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUSTON SECURITIES LIMITED

We have audited the financial statements of Bluston Securities Limited for the year ended 31 March 2011, which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated note of historical cost profit and losses, the consolidated and company balance sheets, and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Basis for qualified opinion on financial statements

The audit evidence available to us was limited because in preparing the accounts for the comparative year the Company changed its accounting policy to show investment properties at open market value in accordance with SSAP 19. In order to facilitate this change in accounting policy the Company procured valuations of investment properties held at 31 March 2010. However, valuations as at 31 March 2009 were not procured.

As the properties held at 31 March 2009 were not restated to open market value on adoption of the new accounting policy, we were unable to determine the extent to which the unrealised surplus on revaluation of £23,011,444 recognised in the comparative statement of total recognised gains and losses arose in that year and the extent to which the surplus arose in earlier years.

The above matter has no effect on the state of affairs of the Group or the Company as at 31 March 2011 or 31 March 2010, or the Group's profit for either years then ended.

Qualified opinion on financial statements

Except for the impact on the unrealised surplus on revaluation of investment properties recognised in the comparative year, in our opinion the financial statements

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 31 March 2011 and of the Group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BLUSTON SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUSTON SECURITIES LIMITED

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

In respect solely of our limitation on our work in relation to the 2010 revaluation movement described above

- we have not obtained all the information and explanations we require for our audit

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent Company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made,

Nexia Smith & Williamson

Philip Quigley (Senior statutory auditor)

for and on behalf of
Nexia Smith & Williamson

Statutory Auditor
Registered Auditors

25 Moorgate
London
EC2R 6AY
Date

16 n 2011

BLUSTON SECURITIES LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2011**

	Note	2011 £	2010 £
TURNOVER	2	1,642,334	1,727,920
Cost of sales		<u>(426,949)</u>	<u>(378,047)</u>
GROSS PROFIT		1,215,385	1,349,873
Administrative expenses		<u>(190,612)</u>	<u>(264,537)</u>
OPERATING PROFIT	3	1,024,773	1,085,336
Income from other fixed asset investments		431	29,735
(Loss)/profit on disposal of investments		(253,001)	223,505
Interest receivable and similar income		17,401	44,263
Interest payable and similar charges	6	<u>(19,980)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		769,624	1,382,839
Tax on profit on ordinary activities	7	<u>(287,216)</u>	<u>(361,793)</u>
PROFIT FOR THE FINANCIAL YEAR	16	<u>482,408</u>	<u>1,021,046</u>

All amounts relate to continuing operations

The notes on pages 11 to 22 form part of these financial statements

BLUSTON SECURITIES LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
PROFIT FOR THE FINANCIAL YEAR	482,408	1,021,046
Unrealised surplus on revaluation of investment properties	<u>3,935,979</u>	<u>22,810,651</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>4,418,387</u></u>	<u><u>23,831,697</u></u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>769,624</u>	<u>1,382,839</u>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u><u>769,624</u></u>	<u><u>1,382,839</u></u>
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	<u><u>482,408</u></u>	<u><u>1,021,046</u></u>

The notes on pages 11 to 22 form part of these financial statements

BLUSTON SECURITIES LIMITED
REGISTERED NUMBER: 00650310

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	8		8,423		11,230
Investment property	9		32,210,713		26,870,500
Investments	10		2,328,139		2,832,920
			<u>34,547,275</u>		<u>29,714,650</u>
CURRENT ASSETS					
Debtors	11	596,119		774,211	
Cash at bank		414,991		521,911	
		<u>1,011,110</u>		<u>1,296,122</u>	
CREDITORS amounts falling due within one year	12	(519,181)		(864,003)	
NET CURRENT ASSETS			<u>491,929</u>		<u>432,119</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>35,039,204</u>		<u>30,146,769</u>
CREDITORS amounts falling due after more than one year	13		(1,350,000)		-
PROVISIONS FOR LIABILITIES					
Deferred tax	14		-		(352)
NET ASSETS			<u><u>33,689,204</u></u>		<u><u>30,146,417</u></u>
CAPITAL AND RESERVES					
Called up share capital	15		401,850		401,850
Investment property reserve	16		26,746,630		22,810,651
Other reserves	16		5,677,259		5,677,259
Profit and loss account	16		863,465		1,256,657
SHAREHOLDERS' FUNDS	17		<u><u>33,689,204</u></u>		<u><u>30,146,417</u></u>

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


R Glatter
 Director

16.11.2011

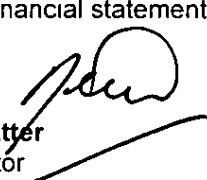
The notes on pages 11 to 22 form part of these financial statements

BLUSTON SECURITIES LIMITED
REGISTERED NUMBER 00650310

COMPANY BALANCE SHEET
AS AT 31 MARCH 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	8		8,423		11,230
Investment property	9		28,670,761		24,904,000
Investments	10		2,328,141		2,832,922
			<u>31,007,325</u>		<u>27,748,152</u>
CURRENT ASSETS					
Debtors	11	4,014,737		2,910,141	
Cash at bank		394,986		500,132	
		<u>4,409,723</u>		<u>3,410,273</u>	
CREDITORS , amounts falling due within one year	12	(462,859)		(802,915)	
NET CURRENT ASSETS			<u>3,946,864</u>		<u>2,607,358</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>34,954,189</u>		<u>30,355,510</u>
CREDITORS , amounts falling due after more than one year	13		(1,350,000)		-
PROVISIONS FOR LIABILITIES					
Deferred tax	14		-		(352)
NET ASSETS			<u>33,604,189</u>		<u>30,355,158</u>
CAPITAL AND RESERVES					
Called up share capital	15		401,850		401,850
Investment property reserve	16		26,778,205		23,011,444
Other reserves	16		5,677,259		5,677,259
Profit and loss account	16		746,875		1,264,605
SHAREHOLDERS' FUNDS	17		<u>33,604,189</u>		<u>30,355,158</u>

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


R Glatter
 Director

16.11.2011

The notes on pages 11 to 22 form part of these financial statements

BLUSTON SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice. A summary of the more important accounting policies adopted are described below.

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 investment properties and in accordance with applicable accounting standards.

1.2 Cash flow

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Company.

1.3 Basis of consolidation

The financial statements consolidate the accounts of Bluston Securities Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired are included from the effective date of acquisition.

1.4 Investments

Investments are carried at cost less amounts written off for impairment.

1.5 Investment properties

The investment properties, which comprise freehold and long leasehold properties, are included in the balance sheet at open market value at the year end. Any surplus on revaluation is recognised in the statement of total recognised gains and losses and the revaluation reserve. Any deficit on revaluation, if temporary, is recognised in the statement of total recognised gains and losses and the revaluation reserve. If a deficit below original cost arises and is deemed to be permanent it is recognised in the profit and loss account.

No depreciation has been provided in respect of the freehold investment properties. Amortisation is provided in respect of leasehold properties. Although this is in accordance with SSAP 19 it represents a departure from the Companies Act 2006 which requires the systematic annual depreciation of fixed assets. The directors believe that it is inappropriate to charge depreciation because the properties are held for their investment potential.

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

1. ACCOUNTING POLICIES (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

No timing differences are recognised in respect of (i) property revaluation surpluses where there is no commitment to sell the asset, (ii) gains on sale of assets where those gains have been rolled over into replacement assets

No deferred taxation is provided on the revaluation of investment properties unless by the balance sheet date an agreement exists to sell an asset

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

2. TURNOVER

Turnover represents the amounts receivable for rental income, goods and services

All turnover arose in the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets - owned by the group	<u>2,807</u>	<u>3,743</u>

4. AUDITORS' REMUNERATION

	2011 £	2010 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	18,000	17,500
Fees payable to the Company's auditor and its associates in respect of Other services relating to taxation	<u>11,200</u>	<u>10,750</u>

BLUSTON SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

5 DIRECTORS' REMUNERATION

	2011 £	2010 £
Emoluments	62,500	50,028

6. INTEREST PAYABLE

	2011 £	2010 £
On bank loans	19,980	-

7. TAXATION

	2011 £	2010 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	278,392	361,793
Adjustments in respect of prior periods	9,176	-
Total current tax	287,568	361,793
Deferred tax (see note 14)		
Origination and reversal of timing differences	(352)	-
Tax on profit on ordinary activities	287,216	361,793

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

7 TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%) The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	<u>769,624</u>	<u>1,382,839</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	215,495	387,195
Effects of		
Expenses not deductible for tax purposes	72,503	2,520
Capital allowances for year in excess of depreciation	352	-
Adjustments to tax charge in respect of prior periods	9,176	-
Non-taxable income less expenses not deductible for tax purposes	-	(27,922)
Marginal relief	(9,958)	-
Current tax charge for the year (see note above)	<u>287,568</u>	<u>361,793</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

8. TANGIBLE FIXED ASSETS

Group Cost	Fixtures & fittings £
At 1 April 2010 and 31 March 2011	<u>35,491</u>
Depreciation	
At 1 April 2010	24,261
Charge for the year	<u>2,807</u>
At 31 March 2011	<u>27,068</u>
Net book value	
At 31 March 2011	<u>8,423</u>
At 31 March 2010	<u>11,230</u>

BLUSTON SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

	Fixtures & fittings £
Company	
Cost	
At 1 April 2010 and 31 March 2011	35,491
Depreciation	
At 1 April 2010	24,261
Charge for the year	2,807
At 31 March 2011	27,068
Net book value	
At 31 March 2011	8,423
At 31 March 2010	11,230

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

9 INVESTMENT PROPERTY

Group	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2010	12,403,500	14,467,000	26,870,500
Additions at cost	1,404,234	-	1,404,234
Surplus on revaluation	1,747,827	2,188,152	3,935,979
At 31 March 2011	<u>15,555,561</u>	<u>16,655,152</u>	<u>32,210,713</u>

The 2011 valuations were made by the directors, on an open market value for existing use basis

Revaluation reserves

At 1 April 2010	22,810,651
Net surplus in investment properties	3,935,979
At 31 March 2011	<u>26,746,630</u>

Company	Freehold investment property £	Long term leasehold investment property £	Total £
Valuation			
At 1 April 2010	10,437,000	14,467,000	24,904,000
Surplus on revaluation	1,578,609	2,188,152	3,766,761
At 31 March 2011	<u>12,015,609</u>	<u>16,655,152</u>	<u>28,670,761</u>

The 2011 valuations were made by the directors, on an open market value for existing use basis

BLUSTON SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011

9. INVESTMENT PROPERTY (continued)

Revaluation reserves

At 1 April 2010	23,011,444
Net surplus in investment properties	3,766,761
At 31 March 2011	<u>26,778,205</u>

The valuation of investment properties at 31 March 2010 was carried out by Newton Perkins Property Consultants, on a basis of market value in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors

The historical cost of investment properties at 31 March 2011 was £3,296,790 (2010 £1,832,556)

No provision has been made for tax which would arise in the event that the company disposed of its investment properties at the values at which they are included in these accounts. Tax would be payable on disposal to the extent that rollover relief is not available. The potential tax liability which would arise on the sale of all the company's investment properties is approximately £6,800,000 (2010 £5,800,000)

10. FIXED ASSET INVESTMENTS

Group	Listed investments £
Cost	
At 1 April 2010	2,832,920
Disposals	(500,000)
At 31 March 2011	<u>2,332,920</u>
Impairment	
At 1 April 2010	-
Charge for the year	4,781
At 31 March 2011	<u>4,781</u>
Net book value	
At 31 March 2011	<u>2,328,139</u>
At 31 March 2010	<u>2,832,920</u>

Listed investments

The market value of the listed investments at 31 March 2011 was £2,794,019 (2010 - £2,947,986)

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

10. FIXED ASSET INVESTMENTS (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost			
At 1 April 2010	2	2,832,920	2,832,922
Disposals	-	(500,000)	(500,000)
At 31 March 2011	2	2,332,920	2,332,922
Impairment			
At 1 April 2010	-	-	-
Charge for the year	-	4,781	4,781
At 31 March 2011	-	4,781	4,781
Net book value			
At 31 March 2011	2	2,328,139	2,328,141
At 31 March 2010	2	2,832,920	2,832,922

Listed investments

The market value of the listed investments at 31 March 2011 was £2,794,019 (2010 - £2,947,986)

11. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	546,259	700,734	474,155	659,720
Amounts owed by group undertakings	-	-	3,492,156	2,176,944
Other debtors	-	18,036	-	18,036
Prepayments and accrued income	49,860	55,441	48,426	55,441
	<u>596,119</u>	<u>774,211</u>	<u>4,014,737</u>	<u>2,910,141</u>

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

12. CREDITORS.
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Corporation tax	106,058	363,870	65,342	363,870
Social security and other taxes	3,323	18,922	980	-
Other creditors	70,295	116,865	70,295	116,865
Accruals and deferred income	339,505	364,346	326,242	322,180
	<u>519,181</u>	<u>864,003</u>	<u>462,859</u>	<u>802,915</u>

13. CREDITORS.
Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	1,350,000	-	1,350,000	-

The loan is secured over a mortgage charge or charge of securities over fixed asset investments and is due for repayment by 10 January 2015

Interest is charged on the loan at 1.9 percent over LIBOR per annum

14. DEFERRED TAXATION

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
At beginning of year	-	1,257	-	1,257
Released during the year	-	(905)	-	(905)
At end of year	<u>-</u>	<u>352</u>	<u>-</u>	<u>352</u>

The provision for deferred taxation is made up as follows

	<u>Group</u>		<u>Company</u>	
	2011	2010	2011	2010
	£	£	£	£
Accelerated capital allowances	-	352	-	352

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

15. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
1,607,400 Ordinary shares shares of £0.25 each	<u>401,850</u>	<u>401,850</u>

16. RESERVES

Group	Investment property revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2010	22,810,651	5,677,259	1,256,657
Profit for the year	-	-	482,408
Dividends paid	-	-	(875,600)
Movement on investment property	3,935,979	-	-
At 31 March 2011	<u>26,746,630</u>	<u>5,677,259</u>	<u>863,465</u>
Company	Investment property revaluation reserve £	Other reserves £	Profit and loss account £
At 1 April 2010	23,011,444	5,677,259	1,264,605
Profit for the year	-	-	357,870
Dividends paid	-	-	(875,600)
Movement on investment property	3,766,761	-	-
At 31 March 2011	<u>26,778,205</u>	<u>5,677,259</u>	<u>746,875</u>

Under the Company's Memorandum of Association, any surplus arising net of tax from the disposal of its investment properties is not available for distribution, and therefore credited to a separate non-distributable reserve

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Group		
Opening shareholders' funds	30,146,417	7,448,370
Profit for the year	482,408	1,021,046
Dividends (Note 18)	(875,600)	(1,133,650)
Revaluation of investment properties	3,935,979	22,810,651
	<u>33,689,204</u>	<u>30,146,417</u>
Closing shareholders' funds		
	<u>33,689,204</u>	<u>30,146,417</u>
 Company	 2011 £	 2010 £
Opening shareholders' funds	30,355,158	7,448,370
Profit for the year	357,870	1,028,994
Dividends (Note 18)	(875,600)	(1,133,650)
Revaluation of investment properties	3,766,761	23,011,444
	<u>33,604,189</u>	<u>30,355,158</u>
Closing shareholders' funds		
	<u>33,604,189</u>	<u>30,355,158</u>

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account

The profit for the year dealt with in the accounts of the Company was £357,870 (2010 - £1,028,994)

18. DIVIDENDS

	2011 £	2010 £
Dividends paid on equity capital	<u>875,600</u>	<u>1,133,650</u>

19. RELATED PARTY TRANSACTIONS

M D Paisner is a partner of Berwin Leighton Paisner. During the year Berwin Leighton Paisner charged the Company £57,998 (2010 - £55,359) in relation to property transactions, debt recovery and general legal advice. There was £5,288 outstanding at the year end (2010 - £8,107)

The Company has used the exemption under Financial Reporting Standard 8 "Related Party Transactions" to not disclose the transactions with its subsidiary undertaking, Bluston Securities (Bordon) Limited

20. CONTROLLING PARTY

The ultimate controlling party is the Bluston Charitable Trust by virtue of its majority shareholding in the Company

BLUSTON SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2011**

21 PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding	Description
Bluston Securities (Bordon) Limited	England and Wales	100	Property investment and management