Companies House

Thanington Holdings Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2003



Company Registration No. 1061021

Thanington Holdings Limited
DIRECTORS AND OFFICERS

DIRECTORS

R Newman	Chairman
B C Reed	Managing Director
L Reed	
M H Fisher	

SECRETARY

B C Reed

COMPANY NUMBER

1061021 (England and Wales)

REGISTERED OFFICE

Churchill Gallery
15a High Street
Westerham
Kent
TN16 1RA

AUDITORS

Baker Tilly
Chartered Accountants
12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD

Thanington Holdings Limited
DIRECTORS' REPORT

The directors submit their report and the financial statements of Thanington Holdings Limited for the year ended 31 March 2003.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was to act as a holding company and for the development of investment property. In addition it has a trading activity which is a retailer of fine prints and original paintings known as the Churchill Gallery.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The directors consider that the company's state of affairs are satisfactory, and anticipate that future results will be of an improved nature.

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £202,805 (2002: £16,435).

A dividend of £100,000 - £0.287 per share was paid (2002: £125,000 - £0.358).

DIRECTORS

The following directors have held office since 1 April 2002:-

R Newman	L Reed
B C Reed	M H Fisher

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors have no interests in the shares of the company. The directors' interests in the shares of the holding company, Thanington Securities Limited, are disclosed in the accounts of that company.

CHARITABLE DONATIONS

During the year the company made charitable donations of £500 to Sevenoaks Football Club and £500 to Research Into Eating Disorders Charity (2002: £1,000).

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

B C Reed
Secretary
3rd July 2003

Thanington Holdings Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial year 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, directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. 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 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 requirements of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THANINGTON HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 18.

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 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 auditors
The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards 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 United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion
We conducted our audit in accordance with Auditing Standards 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.

Opinion
In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly
BAKER TILLY
Registered Auditor
Chartered Accountants
12 Gleneagles Court, Brighton Road
Crawley, West Sussex, RH10 6AD
3rd July 2003

Thanington Holdings Limited

PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2003

	Notes	2003 £	2002 £
TURNOVER	1	870,357	861,034
Cost of Sales		34,289	39,389
GROSS PROFIT		836,068	821,645
Administrative expenses		513,956	554,920
OPERATING PROFIT		322,112	266,725
Investment income	2	123,378	573
Interest receivable		9,289	18,366
Interest payable	3	(230,675)	(257,662)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	224,104	28,002
Taxation	6	21,299	11,567
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		202,805	16,435
Dividend	7	100,000	125,000
RETAINED PROFIT/(LOSS) FOR THE YEAR	19	102,805	(108,565)

The operating profit for the year arises from the company's continuing operations

Thanington Holdings Limited

STATEMENT OF TOTAL RECOGNISED GAINS & LOSSES

for the year ended 31 March 2003

	2003 £	2002 £
Profit/(Loss) for the financial year	102,805	(108,565)
Unrealised surplus on revaluation of properties	293,771	1,027,213
Total recognised gains and losses relating to the year	396,576	918,648

Note of historical cost profits and losses	2003 £	2002 £
Reported profit on ordinary activities before taxation	224,104	28,002
Historical cost profit/(loss) for the year retained after taxation, exceptional items and dividends	102,805	(108,565)

Thanington Holdings Limited

BALANCE SHEET

31 March 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Investment properties	8	9,750,000	9,430,000
Tangible assets	9	71,564	70,649
Investments	10	151,058	151,058
		9,972,622	9,651,707
CURRENT ASSETS			
Investment	11	25,000	38,000
Stocks	12	4,973	7,108
Debtors	13	66,580	51,762
Cash at bank and in hand		253,440	333,668
		349,993	430,538
CREDITORS: Amounts falling due within one year	14	1,562,474	1,384,949
NET CURRENT LIABILITIES		(1,212,481)	(954,411)
TOTAL ASSETS LESS CURRENT LIABILITIES		8,760,141	8,697,296
CREDITORS: Amounts falling due after more than one year	15	1,995,156	2,327,650
Provisions for liabilities and charges	16	-	1,237
		6,764,985	6,368,409
CAPITAL AND RESERVES			
Called up share capital	17	348,700	348,700
Revaluation reserve	18	2,795,098	2,501,327
Profit and loss account	19	3,621,187	3,518,382
		6,764,985	6,368,409

Approved by the board on 3rd July 2003



M H FISHER Director

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention modified to include the revaluation of investment properties, in accordance with applicable accounting standards, and drawn up on a going concern basis which the directors consider to be appropriate.

TURNOVER

Turnover represents rents receivable, retail sales and management fees all net of Value Added Tax.

INVESTMENT PROPERTIES

Investment properties are stated at their open market value.

Surpluses or deficits on individual properties are transferred to the investment revaluation reserve. Where deficits are in excess of the total balance of the revaluation reserve they are charged to the profit and loss account.

Investment properties are accounted for in accordance with SSAP19, "Accounting for Investment Properties", which provides that these should not be subject to periodic depreciation charges (unless held on lease), but should be shown at open market value. This is contrary to the Companies Act 1985 which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or revaluation of specific assets to market value, as determined at the date of their last valuation, is also permitted.

The treatment of investment properties under the Companies Act 1985 does not give a true and fair view as these assets are not held for consumption in the business but as investments, the disposal of which would not materially affect any manufacturing or trading operations of the enterprises. In such a case it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment required by SSAP19 is considered appropriate for investment properties.

Details of the current value and historical cost information for investment properties are given in Note 8.

DEPRECIATION

Fixed assets are stated at historical cost. Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimate residual value over its expected useful life, as follows:

Fixtures, fittings and equipment	- 30% reducing balance
Motor vehicles	- 25% reducing balance

INVESTMENTS

Long term investments are described as participating interests and are classified as fixed assets.

Participating interests are stated at cost. Other investments are valued at the lower of cost or market value at the balance sheet date.

Provision is made for any permanent diminution in the value of fixed asset investments.

Short term investments are classified as current assets. Those listed on a recognised stock exchange are valued at the lower of cost and mid-market valuation at the balance sheet date.

STOCK AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Provision is made for obsolete and slow moving items.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss account on a straight line basis over the lease term.

PENSION CONTRIBUTIONS

The charge in the profit and loss account represents pension contributions payable for the year.

1 TURNOVER

	2003	2002
	£	£
The company's turnover was undertaken in the United Kingdom.		
Investment property management	816,073	800,459
Retailing	54,284	56,847
Management fee	-	3,728
	870,357	861,034

All profit before tax is attributable to the investment properties

2 INVESTMENT INCOME

	2003	2002
	£	£
Dividend from Associate undertaking	122,500	-
Income from current asset investments	878	573
	123,378	573

3 INTEREST PAYABLE

	2003	2002
	£	£
On bank loans and overdrafts	230,675	253,576
Hire purchase contracts	-	4,086
	230,675	257,662

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2003	2002
	£	£
Profit on ordinary activities before taxation is stated after charging/crediting:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year:		
Owned assets	25,359	25,144
Auditors remuneration	9,800	9,250
Loss/(Profit) on disposal of fixed assets	2,363	8,805

5 EMPLOYEES	2003 No	2002 No
The average weekly number of persons (including directors) employed by the company during the year was:		
Directors	4	4
Administration	4	4
	8	8

	2003 £	2002 £
Staff costs for the above persons:		
Wages and salaries	279,162	276,930
Social security costs	30,755	33,873
Other pension costs	12,000	12,000
	321,917	322,803

DIRECTORS' REMUNERATION	2003 £	2002 £
Directors' emoluments (including pension contributions and benefits in kind)	250,004	278,898

The directors' fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to:

	2003 £	2002 £
The Chairman	23,464	30,112
The highest paid director – fees and emoluments	118,375	125,550
pension contributions	7,800	7,800
	126,175	133,350

6 TAXATION	2003 £	2002 £
Current tax:		
UK corporation tax on profits of the period	25,522	10,342
Adjustments in respect of previous periods	(2)	(12)
Total current tax	25,520	10,330
Deferred tax:		
Origination and reversal of timing differences	4,221	1,237
Tax on profit on ordinary activities	21,299	11,567

	2003 £	2002 £
Factors affecting tax charge for the period		
The tax assessed for the period is lower than the standard rate of corporation tax in the UK 19%. The differences are explained below.		
Profit on ordinary activities before tax	224,104	28,002
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2002 – 20%).	42,580	5,600
Effects of:		
Investment Income	(23,442)	-
Expenses not deductible for tax purposes	5,322	4,363
Capital allowances lower than depreciation	1,188	379
Adjustment to tax charge in respect of previous periods	(2)	(12)
Other	(126)	-
Current tax charge for the period	25,520	10,330

7 DIVIDEND	2003 £	2002 £
Ordinary:		
Final Paid £0.287 – (2002 - £0.358)	100,000	125,000

8 INVESTMENT PROPERTIES

	Freehold	*Long Term Leasehold*	*TOTAL*
	£	£	£
Valuation:			
1 April 2002	9,180,000	250,000	9,430,000
Additions	26,229	-	26,229
Revaluation	293,771	-	293,771
31 March 2003	9,500,000	250,000	9,750,000

The historical cost of investment properties is £6,954,902.

The investment properties were valued by the directors at open market value on 31 March 2003.

No depreciation is provided in respect of freehold or long term leasehold investment properties.

9 TANGIBLE FIXED ASSETS

	Motor vehicles	*Fixtures, fittings and equipment*	*Total*
	£	£	£
Cost			
1 April 2002	80,793	122,183	202,976
Additions	38,171	5,834	44,005
Disposals	(29,498)	-	(29,498)
31 March 2003	89,466	128,017	217,483
Depreciation			
1 April 2002	26,877	105,450	132,327
Charged in the year	18,589	6,770	25,359
Disposals	(11,767)	-	(11,767)
31 March 2003	33,699	112,220	145,919
Net book value			
31 March 2003	55,767	15,797	71,564
31 March 2002	53,916	16,733	70,649

10 FIXED ASSET INVESTMENTS

	Shares in associated undertaking	*Other investments*	*Total*
	£	£	£
Cost			
1 April 2002 and 31 March 2003	108,558	89,891	198,449
Amounts written off:			
1 April 2002 and 31 March 2003	-	47,391	47,391
Net book value:			
31 March 2003 and 31 March 2002	108,558	42,500	151,058

FIXED ASSET INVESTMENTS

Holdings in associated undertakings:

Name of Company	*Class of shares held*	*Proportion of class held*	*Nature of business*	*Capital & reserves*	*Profit /(Loss) in year*
				£	£
Moorgate Estates Limited	Ordinary	50%	Investment in property	3,728,016	260,832
RAMAC Engineering Ltd	Ordinary	17%	Manufacturing	(22,157)	10,106

The above companies are registered in England and Wales.

Moorgate Estates Limited, a company in which Thanington Holdings Limited has a 50% interest, is not treated as a subsidiary undertaking as the company is unable to exercise dominant influence.

11 CURRENT ASSET INVESTMENTS

	2003	2002
	£	£
Investments listed on recognised stock exchange.	42,000	42,000
Market value of investment	25,000	38,000

12	STOCKS	2003 £	2002 £
	Finished goods	4,973	7,108

13	DEBTORS	2003 £	2002 £
	Due within one year:		
	Deferred Tax	2,984	-
	Trade debtors	41,096	36,762
	Other debtors	22,500	15,000
		66,580	51,762

14	CREDITORS: Amounts falling due within one year	2003 £	2002 £
	Bank loans and overdrafts	1,235,707	1,026,379
	Amount owed to parent company	40	40
	Corporation tax	25,522	10,342
	Other taxation and social security costs	42,992	46,292
	Other creditors	38,939	46,249
	Accruals and deferred income	219,274	255,647
		1,562,474	1,384,949

The bank loan and overdrafts are secured by charges on certain properties of the company.

		2003	2002
15	CREDITORS: Amounts falling due in more than one year	£	£
	Bank loans	1,995,156	2,327,650
	Repayable:		
	Bank loans		
	between 1 and 2 years	314,014	294,022
	between 2 and 5 years	1,062,829	992,216
	more than 5 years	618,313	1,041,412
		1,995,156	2,327,650

The bank loans are secured by charges on certain properties of the company.

The loans are repayable by instalments and bear interest at a fixed rate percentage.

16 DEFERRED TAXATION

	Deferred Taxation £
Balance at 1 April 2002	1,237
Transfer from profit and loss account	(4,221)
Balance at 31 March 2003	(2,984)

	2003 £	2002 £
Provision for deferred tax has been made as follows:		
Excess of tax allowances over depreciation	-	1,237

If the company's interest in the investment properties was disposed of at its balance sheet amount it is estimated that the tax liability would be £130,691 (2002: £134,000).

		2003	2002
17	SHARE CAPITAL	£	£
	Authorised:		
	350,000 ordinary shares of £1 each	350,000	350,000
	Allotted, issued and fully paid:		
	348,700 ordinary shares of £1 each	348,700	348,700

18	REVALUATION RESERVE	2003 £	2002 £
	1 April 2002	2,501,327	1,474,114
	Surplus in year on investment properties	293,771	1,027,213
	31 March 2003	2,795,098	2,501,327

19	PROFIT AND LOSS ACCOUNT	2003 £	2002 £
	1 April 2002	3,518,382	3,626,947
	Profit/(Loss) for the financial year	102,805	(108,565)
	31 March 2003	3,621,187	3,518,382

20	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2003 £	2002 £
	Profit for the financial year	202,805	16,435
	Dividends	(100,000)	(125,000)
		102,805	(108,565)
	Revaluation surplus in year	293,771	1,027,213
	Net addition to shareholders' funds	396,576	918,648
	Opening equity shareholders' funds	6,368,409	5,449,761
	Closing equity shareholders' funds	6,764,985	6,368,409

21 RELATED PARTY TRANSACTIONS

At the year end £20,000 was owed from RAMAC Engineering Limited an associated undertaking.

Bruce Reed and Martin Fisher each own 5,000 shares at £1 each in RAMAC Engineering Limited. At the Year End £2,500 was due from the Reed Trust. One of the two Trustees is M.H. Fisher.

22 PARENT COMPANY

The directors consider Thanington Securities Limited, a company registered in England to be the parent company.

23 PENSIONS

The company made contributions into the Personal Pension Schemes on behalf of one director which amounted to £4,200 and contribution of £7,800 into a deferred benefit scheme on behalf of one director. No amounts were owed at the year end.

24 CAPITAL COMMITMENTS

	2003	2002
	£	£
Capital expenditure contracted for but not provided in the financial statements.	10,000	15,000

25 POST BALANCE SHEET EVENTS

After the Year End the shares in RAMAC Engineering Ltd were sold for £10,500. In addition, the loan of £20,000 due from RAMAC was repaid.

A property was sold at Auction for its value in the balance sheet at the Year End.