

Thanington Holdings Limited

FINANCIAL STATEMENTS

for the year ended

31 March 2012



Company Registration No 1061021

Thanington Holdings Limited

DIRECTORS AND OFFICERS

DIRECTORS

R Newman
B C Reed
M H Fisher

Chairman
Managing Director

SECRETARY

B C Reed

COMPANY NUMBER

1061021 (England and Wales)

REGISTERED OFFICE

15a High Street
Westerham
Kent
TN16 1RA

AUDITOR

BAKER TILLY UK AUDIT LLP
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 2012

PRINCIPAL ACTIVITIES

The principal activity of the company during the year continued to be investment and dealing in property

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The directors consider the company's state of affairs to be satisfactory and anticipate future results to be of a similar nature

RESULTS AND DIVIDENDS

The trading profit for the year after taxation was £263,457 (2011 £170,232)

A dividend of £100,000 - £0 287 per share was paid (2011 £100,000 - £0 287 per share)

DIRECTORS

The following directors have held office since 1 April 2011

R Newman
B C Reed

M H Fisher

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

A resolution to reappoint Baker Tilly UK Audit LLP will be proposed at the forthcoming Annual General Meeting.

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



By order of the board
B C Reed, Secretary
22 June 2012

Thanington Holdings Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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 of the profit or loss of the company for that period. In preparing those financial statements, the 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 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 company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THANINGTON HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 16. 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 more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its 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.

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

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.



ANTHONY SUMMERS (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
12 Gleneagles Court
Brighton Road
Crawley
West Sussex
RH10 6AD

22 June 2012

Thanington Holdings Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2012

	<i>Notes</i>	2012 £	2011 £
TURNOVER	1	822,205	834,448
Administrative expenses		(733,140)	(706,006)
OPERATING PROFIT		89,065	128,442
Investment income	2	225,000	112,500
Interest receivable		678	587
Interest payable	3	(39,901)	(41,522)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	274,842	200,007
Taxation	6	(11,385)	(29,775)
PROFIT FOR THE YEAR	15	<u>263,457</u>	<u>170,232</u>

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

Thanington Holdings Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES for the year ended 31 March 2012

	2012 £	2011 £
Profit for the financial year	263,457	170,232
Unrealised (loss)/surplus on revaluation of properties	(1,952,030)	(19,360)
Total recognised (loss)/gain relating to the year	<u>(1,688,573)</u>	<u>150,872</u>

	2012 £	2011 £
Note of historical cost profits and losses		
Reported and historical costs profit on ordinary activities before taxation	<u>274,842</u>	<u>200,007</u>
Historical cost profit for the year after taxation	<u>263,457</u>	<u>170,232</u>

Thanington Holdings Limited

BALANCE SHEET

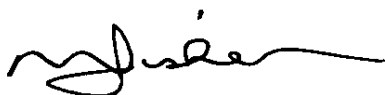
as at 31 March 2012

Company Registration No 1061021

	Notes	2012 £	2011 £
FIXED ASSETS			
Investment properties	8	11,955,286	13,904,646
Tangible assets	9	81,921	74,725
Investments	10	141,058	141,058
		<u>12,178,265</u>	<u>14,120,429</u>
CURRENT ASSETS			
Debtors	11	121,408	136,029
Cash at bank and in hand		664,494	500,292
		<u>785,902</u>	<u>636,321</u>
CREDITORS Amounts falling due within one year	12	<u>(563,173)</u>	<u>(475,628)</u>
NET CURRENT ASSETS		<u>222,729</u>	<u>160,693</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,400,994</u>	<u>14,281,122</u>
CREDITORS Amounts falling due after more than one year	13	(1,908,445)	(2,000,000)
		<u>10,492,549</u>	<u>12,281,122</u>
CAPITAL AND RESERVES			
Called up share capital	14	348,700	348,700
Revaluation reserve	15	5,695,036	7,647,066
Profit and loss account	15	4,448,813	4,285,356
	16	<u>10,492,549</u>	<u>12,281,122</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

The financial statements on pages 5 to 16 were approved by the board of directors and authorised for issue on 22 June 2012 and are signed on its behalf by



M H FISHER
Director

Thanington Holdings Limited

ACCOUNTING POLICIES

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 net of Value Added Tax

Turnover arises from income received under operating lease agreements through the letting of investment properties

Turnover arising from residential letting receipts are recognised net of letting agent fees and any direct property related costs

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 2006 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 2006 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

TANGIBLE FIXED ASSETS

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 estimated residual value over its expected useful life, as follows:

Leasehold improvements	- 10% straight line
Motor vehicles	- 25% reducing balance
Fixtures, fittings and equipment	- 30% reducing balance

Thanington Holdings Limited

ACCOUNTING POLICIES

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

DEFERRED TAXATION

Deferred tax is recognised in respect of material 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

All leases are "operating leases" and the annual rentals are charged to the 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 to money purchase pension scheme arrangements for the year The assets of the scheme are held separately from the assets of the Company

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument those financial instruments are classed as financial liabilities Financial liabilities are presented as such in the balance sheet Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument Dividends and distributions relating to equity instruments are debited direct to equity

Thanington Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2012

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit on ordinary activities before taxation were derived from its principal activity wholly undertaken in the United Kingdom

	2012	2011
	£	£
2 INVESTMENT INCOME		
Dividend from associated undertaking	225,000	112,500

	2012	2011
	£	£
3 INTEREST PAYABLE		
On bank loans and overdrafts	39,901	41,522

	2012	2011
	£	£
4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		
Profit on ordinary activities before taxation is stated after		
Charging/(crediting)		
Operating lease rentals		
Land and buildings	19,365	20,596
Depreciation charge for the year	29,919	26,582
Auditor's remuneration for audit services	12,250	12,250
(Profit)/Loss on disposal of tangible fixed assets	(6,231)	913

	2012	2011
	No	No
5 EMPLOYEES		
The average weekly number of persons employed by the company during the year was		
Directors	3	3
Administration	3	3
	6	6

Thanington Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

		2012	2011
		£	£
5	EMPLOYEES (CONTINUED)		
	Staff costs for the above persons:		
	Wages and salaries	455,555	405,379
	Social security costs	63,793	56,427
	Other pension costs	12,700	12,330
		<u>532,048</u>	<u>474,136</u>
	DIRECTORS' REMUNERATION	2012	2011
		£	£
	Directors' emoluments (including pension contributions and benefits in kind)	<u>413,266</u>	<u>381,879</u>
	Highest paid director (including benefits in kind)	<u>215,194</u>	<u>191,991</u>
	Retirement benefits are accruing under money purchase schemes for 2 directors (2011 1)		
	The company made contributions into the Personal Pension Schemes on behalf of one director which amounted to £12,700 (2011 £12,330) No amounts were owed at either year end		
	No pension contributions were paid on behalf of the highest paid director in either year		
6	TAXATION	2012	2011
		£	£
	Current tax		
	UK corporation tax on profits of the year	11,385	22,392
	Total current tax	<u>11,385</u>	<u>22,392</u>
	Deferred tax		
	Origination and reversal of timing differences	-	7,383
	Tax on profit on ordinary activities	<u>11,385</u>	<u>29,775</u>

Thanington Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

6	TAXATION (CONTINUED)	2012	2011
		£	£
	Factors affecting tax charge for the year		
	The tax assessed for the period is lower than the standard rate of corporation tax in the UK 20% The differences are explained below		
	Profit on ordinary activities before tax	274,842	200,007
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2011 21%)	<u>54,968</u>	<u>42,001</u>
	Effects of		
	Investment income	(45,000)	(23,625)
	Expenses not deductible for tax purposes	2,613	1,968
	Capital allowances lower than depreciation	333	2,720
	Utilisation of tax losses	-	(672)
	Other items	(1,529)	-
		<u>11,385</u>	<u>22,392</u>

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 £202,727 (2011 £523,010)

7	DIVIDENDS	2012	2011
		£	£
	Ordinary		
	Final Paid £0 287 – (2011 - £0 287)	<u>100,000</u>	<u>100,000</u>

8 **INVESTMENT PROPERTIES**

	Freehold	Long Term Leasehold	Total
	£	£	£
Valuation			
1 April 2011	13,354,646	550,000	13,904,646
Additions	2,670	-	2,670
Loss on revaluation	(1,762,030)	(190,000)	(1,952,030)
31 March 2012	<u>11,595,286</u>	<u>360,000</u>	<u>11,955,286</u>

The historical cost of investment properties is £6,260,250 (2011 £6,257,580)

The investment properties were valued by the directors at open market value on 31 March 2012 in accordance with SSAP19 Investment Properties This valuation was carried out by Mr B C Reed

All the properties included above are used to generate turnover under operating lease agreements

Thanington Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

9 TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Motor Vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost				
1 April 2011	33,631	128,015	165,585	327,231
Additions	-	93,633	-	93,633
Disposals	-	(103,537)	-	(103,537)
31 March 2012	<u>33,631</u>	<u>118,111</u>	<u>165,585</u>	<u>317,327</u>
Depreciation				
1 April 2011	26,739	66,566	159,201	252,506
Charged in the year	3,363	24,641	1,915	29,919
Disposals	-	(47,019)	-	(47,019)
31 March 2012	<u>30,102</u>	<u>44,188</u>	<u>161,116</u>	<u>235,406</u>
Net book value				
31 March 2012	<u>3,529</u>	<u>73,923</u>	<u>4,469</u>	<u>81,921</u>
31 March 2011	<u>6,892</u>	<u>61,449</u>	<u>6,384</u>	<u>74,725</u>

10 FIXED ASSET INVESTMENTS

	Shares in associated undertaking £	Other investments £	Total £
Cost			
1 April 2011 and 31 March 2012	98,558	99,712	198,270
Amounts written off			
1 April 2011 and 31 March 2012	-	(57,212)	(57,212)
Net book value			
1 April 2011 and 31 March 2012	<u>98,558</u>	<u>42,500</u>	<u>141,058</u>

Thanington Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2012

10 FIXED ASSET INVESTMENTS (CONTINUED)

Holdings in associated undertakings

Name of Company	Class of shares held	Proportion of class held	Nature of Business	Capital & reserves £	Profit in year £
Moorgate Estates Limited	Ordinary	50%	Investment in property	8,573,718	401,968

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	DEBTORS	2012 £	2011 £
	Due within one year		
	Trade debtors	76,694	85,311
	Other debtors	44,714	50,718
		<u>121,408</u>	<u>136,029</u>

12	CREDITORS Amounts falling due within one year	2012 £	2011 £
	Bank loan	91,555	-
	Corporation tax	11,385	22,392
	Amount owed to parent company	40	40
	Other taxation and social security	107,732	94,985
	Other creditors	135,407	131,641
	Accruals and deferred income	217,054	226,570
		<u>563,173</u>	<u>475,628</u>

13	CREDITORS Amounts falling due in more than one year	2012 £	2011 £
	Bank loan	<u>1,908,445</u>	<u>2,000,000</u>
	Repayable Bank loans		
	Between 1 and 2 years	185,872	91,555
	between 2 and 5 years	580,393	568,929
	more than 5 years	1,142,180	1,339,516
		<u>1,908,445</u>	<u>2,000,000</u>

Thanington Holdings Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2012

13 CREDITORS Amounts falling due in more than one year (CONTINUED)

The bank loan is secured by charges on certain properties of the company

The loan for £2,000,000 is repayable over the period 1 November 2012 until 30 November 2022, which attracts interest at base rate + 1 50%

The directors have considered the sensitivities of the interest payable on the interest bearing loans and given the current economic climate they consider variable loan rates to be appropriate

	2012 £	2011 £
14 SHARE CAPITAL		
Allotted, issued and fully paid 348,700 ordinary shares of £1 each	348,700	348,700

The company treats all share capital as equity There have been no changes on the capital policy during the year

15 RESERVES	Revaluation Reserve £	Profit and loss account £	Total £
1 April 2011	7,647,066	4,285,356	11,932,422
Profit for the year	-	263,457	263,457
Dividends paid (note 7)	-	(100,000)	(100,000)
Loss on revaluation	(1,952,030)	-	(1,952,030)
31 March 2012	5,695,036	4,448,813	10,143,849

	2012 £	2011 £
16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS		
Profit for the year	263,457	170,232
Dividends paid	(100,000)	(100,000)
	163,457	70,232
Revaluation loss in year	(1,952,030)	(19,360)
Net (reduction in)/ addition to shareholders' funds	(1,788,573)	50,872
Opening equity shareholders' funds	12,281,122	12,230,250
Closing equity shareholders' funds	10,492,549	12,281,122

Thanington Holdings Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2012

17 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows:

	2012	2011
	£	£
Land and buildings expiring greater than 5 years	16,828	16,828

18 RELATED PARTY TRANSACTIONS

The company acts as managing agent for properties owned by Moorgate Estates Limited. No charge is made for this service. During the year dividends from Moorgate Estates Limited, an associate undertaking, totalling £225,000 were received (2011: £112,500). During the year dividends were paid to Thanington Securities Limited, the immediate and ultimate parent, totalling £100,000 (2011: £100,000).

19 PARENT COMPANY

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