

Meadowstag Properties Limited

FINANCIAL STATEMENTS

for the year ended

30 April 2012



Company Registration No 01185921

Meadowstag Properties Limited

COMPANY INFORMATION

DIRECTORS	Mr MB Kenward Mrs LJ Kenward Ms NJ Kenward Mrs LM Palin Ms SL Kenward
SECRETARY	Mrs LJ Kenward
COMPANY NUMBER	01185921
REGISTERED OFFICE	Oak Bank, Ismays Road Ivy Hatch, Sevenoaks TN15 0NZ
AUDITOR	Baker Tilly UK Audit LLP Lancaster House 7 Elmfield Road Bromley, Kent BR1 1LT

Meadowstag Properties Limited

DIRECTORS' REPORT

For the year ended 30 April 2012

The directors present their report and financial statements for the year ended 30 April 2012

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was ownership and management of freehold properties

DIRECTORS

The following directors have held office since 1 May 2011

Mr MB Kenward
Mrs LJ Kenward
Ms NJ Kenward
Mrs LM Palin
Ms SL Kenward

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

STATEMENT OF DISCLOSURE TO AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware 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.

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

On behalf of the board



Mrs LJ Kenward
DIRECTOR

Meadowstag Properties 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 accounting 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 MEADOWSTAG PROPERTIES LIMITED

We have audited the financial statements set out on pages 4 to 13. 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 2, 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 THE FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 April 2012 and 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
- 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.

Baker Tilly UK Audit LLP

HENRY ARTHURS (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF BAKER TILLY UK AUDIT LLP STATUTORY AUDITOR

Chartered Accountants

Lancaster House

7 Elmfield Road

Bromley, Kent

BR1 1LG

7 September 2012

Meadowstag Properties Limited

PROFIT AND LOSS ACCOUNT

For the year ended 30 April 2012

	Notes	2012 £	2011 £
TURNOVER	1	494,150	471,867
Other operating expenses	2	(105,016)	(105,800)
OPERATING PROFIT		389,134	366,067
Investment income	3	856	-
Interest payable and similar charges		(11,140)	(18,052)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	378,850	348,015
Taxation	5	(82,858)	(77,273)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	12	295,992	270,742

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

Meadowstag Properties Limited

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

For the year ended 30 April 2012

	Notes	2012 £	2011 £
Profit for the financial year		295,992	270,742
Unrealised surplus on revaluation of properties	12	38,694	106,000
Total recognised gains and losses relating to the year		<u>334,686</u>	<u>376,742</u>

Meadowstag Properties Limited

BALANCE SHEET

As at 30 April 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Tangible assets	6 and 7	5,076,716	4,742,318
CURRENT ASSETS			
Debtors	8	5,545	610
Cash at bank and in hand		136,627	162,650
		<u>142,172</u>	<u>163,260</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	9	(640,003)	(717,387)
NET CURRENT LIABILITIES		<u>(497,831)</u>	<u>(554,127)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,578,885	4,188,191
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	10	(313,214)	(257,206)
NET ASSETS		<u>4,265,671</u>	<u>3,930,985</u>
CAPITAL AND RESERVES			
Called up share capital	11	15,000	15,000
Revaluation reserve	12	1,210,029	1,171,335
Profit and loss account	12	3,040,642	2,744,650
SHAREHOLDERS' FUNDS	13	<u>4,265,671</u>	<u>3,930,985</u>

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

The financial statements on pages 4 to 13 were approved by the board of directors and authorised for issue on 27/8/12 and are signed on its behalf by



Mr MB Kenward
DIRECTOR

Meadowstag Properties Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and leasehold properties

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

TURNOVER

Turnover represents the value of rentals and dilapidation income, which are both recognised for on an accruals basis

TANGIBLE FIXED ASSETS AND DEPRECIATION

In accordance with Statement of Standard Accounting Practice 19 (SSAP 19) freehold investment properties are included in the balance sheet, at their open market value, and the resultant movement on revaluation is taken to the investment revaluation reserve. No depreciation is provided on investment properties. The directors consider that the accounting policy results in the financial statements giving a true and fair view

Other fixed assets are stated at historical cost or valuation less depreciation

Depreciation is provided on all tangible fixed assets other than freehold land and investment properties at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Land and buildings leasehold	25% reducing balance
Plant and machinery etc	33% and 25% on cost

LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

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 that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements

Deferred tax is recognised in the Statement of Total Recognised Gains and Losses on revaluations where at the balance sheet date there is an agreement to sell the asset

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

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2012

1 TURNOVER

The company's turnover and profit before taxation were both derived from its principal activity, which is wholly undertaken in the United Kingdom

2 OTHER OPERATING EXPENSES

	2012	2011
	£	£
Administrative expenses	105,016	105,800

3 INVESTMENT INCOME

	2012	2011
	£	£
Bank interest	836	-
Other interest	20	-
	856	-

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2012	2011
	£	£
Profit is stated after charging		
Depreciation of tangible assets		
- Owned assets	602	792
Operating lease rentals	8,000	8,000
Auditor's remuneration	5,000	4,200
Directors' emoluments	-	5,040

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2012

5 TAXATION	2012 £	2011 £
UK Corporation tax		
Current tax on profit of the period	82,858	77,473
Adjustment for prior years	-	(200)
CURRENT TAX CHARGE	82,858	77,273
FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
The tax assessed for the year is lower than the standard rate of corporation tax for small companies (26%) as explained below		
Profit on ordinary activities before taxation	378,850	348,015
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 25.84% (2011 - 27.84%)	97,895	96,887
Effects of		
Non deductible expenses	1,094	267
Depreciation add back	156	220
Capital allowances	-	(9)
Adjustments to previous periods	-	(200)
Small companies relief	(16,287)	(19,892)
	(15,037)	(19,614)
CURRENT TAX CHARGE	82,858	77,273

No provision has been made for deferred tax on gains recognised on revaluing property to its market value or on the sale of properties where potentially taxable gains have been rolled over into replacement assets. Such tax would become payable only if the property were sold without it being possible to claim rollover relief. The amount unprovided for is £214,366 (2011: £202,896). At present, it is not envisaged that any tax will become payable in the foreseeable future.

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2012

6 TANGIBLE FIXED ASSETS

	Land and buildings	Plant and machinery etc	Total
	£	£	£
COST OR VALUATION			
At 1 May 2011 & at 30 April 2012	22,374	4,298	26,672
DEPRECIATION			
At 1 May 2011	20,099	4,255	24,354
Charge for the year	569	33	602
At 30 April 2012	20,668	4,288	24,956
NET BOOK VALUE			
At 30 April 2012	1,706	10	1,716
At 30 April 2011	2,275	43	2,318

7 TANGIBLE FIXED ASSETS

	Investment properties £
COST OR VALUATION	
At 1 May 2011	4,740,000
Additions	296,306
Revaluation	38,694
At 30 April 2012	5,075,000

Investment properties were revalued at 30 April 2012 on the basis of an open market valuation for existing use by the directors. The original cost of the investment properties shown above was £3,864,971 (2011 £3,568,665)

In accordance with the requirements of Statement of Standard Accounting Practice Number 19 (SSAP19), but contrary to the requirements of Schedule 4 Companies Act 2006, investment properties are not depreciated. Instead, they are revalued annually which the directors consider necessary to show a true and fair view. The adoption of the policy has the effect of increasing net assets by £1,210,029 (2011 £1,171,335) and profit for the year by £Nil (2011 £Nil)

8 DEBTORS

	2012 £	2011 £
Other debtors	5,545	610

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2012

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2012 £	2011 £
Bank loans and overdrafts	75,968	137,774
Taxation and social security	84,066	77,473
Other creditors	479,969	502,140
	<u>640,003</u>	<u>717,387</u>
Debt due in one year or less	<u>75,968</u>	<u>137,774</u>

Bank loans of £75,968 (2011 £137,774) are secured against investment properties. The loans bear interest at rates between 1.75% and 3.25% above base rate.

10 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2012 £	2011 £
Bank loans	<u>313,214</u>	<u>257,206</u>
ANALYSIS OF LOANS		
Not wholly repayable within five years by instalments	161,861	(77,223)
Wholly repayable within five years	<u>227,321</u>	<u>472,203</u>
	389,182	394,980
Included in current liabilities	<u>(75,968)</u>	<u>(137,774)</u>
	<u>313,214</u>	<u>257,206</u>
Instalments not due within five years	<u>161,861</u>	<u>77,223</u>
LOAN MATURITY ANALYSIS		
In more than one year but not more than two years	53,198	75,465
In more than two years but not more than five years	98,155	104,518
In more than five years	<u>161,861</u>	<u>77,223</u>

Bank loans of £313,214 (2011 £257,206) are secured against investment properties. The loans bear interest at rates between 1.75% and 3.25% above base rate.

11 SHARE CAPITAL	2012 £	2011 £
ALLOTTED, CALLED UP AND FULLY PAID		
10,000 ordinary "A" shares of £1 each	10,000	10,000
5,000 ordinary "B" shares of £1 each	<u>5,000</u>	<u>5,000</u>
	<u>15,000</u>	<u>15,000</u>

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2012

12 RESERVES

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 May 2011	1,171,335	2,744,650
Profit for the year	-	295,992
Revaluation during the year	38,694	-
Balance at 30 April 2012	<u>1,210,029</u>	<u>3,040,642</u>

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Profit for the financial year	295,992	270,742
Other recognised gains and losses	38,694	106,000
Net addition to shareholders' funds	<u>334,686</u>	<u>376,742</u>
Opening shareholders' funds	<u>3,930,985</u>	<u>3,554,243</u>
Closing shareholders' funds	<u>4,265,671</u>	<u>3,930,985</u>

14 FINANCIAL COMMITMENTS

At 30 April 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2013

	Land and buildings 2012 £	2011 £
Operating leases which expire Within one year	<u>8,000</u>	<u>8,000</u>

15 TRANSACTIONS WITH DIRECTORS

Loans due to directors are included in creditors due within one year. During the year the director Mrs LJ Kenward was due £Nil (2011 £6,040) of interest, charged at a rate of 0% (2011 2.50%) on monies advanced to the company which at 30 April 2012 amounted to £217,350 (2011 £212,518). Mr MB Kenward's loan to the company at the year end amounted to £190,437 (2011 £203,477) and no interest was charged on this balance.

16 CONTROL

The ultimate controlling parties are Mr MB Kenward and Mrs LJ Kenward by virtue of their shareholdings in the company.

Meadowstag Properties Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 April 2012

17 RELATED PARTY TRANSACTIONS

The rental for the office accommodation "Foxes" is paid to the director, Mr MB Kenward, the joint owner of the property along with Mrs LJ Kenward. The amount paid in the year was £8,000 (2011 £8,000) a full market rent. There were no monies outstanding at the year end (2011 £Nil).

Meadowstag Properties Limited

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2012

	2012	2011
	£	£
Turnover		
Rent receivable	493,450	467,822
Other Income	700	4,045
	<u>494,150</u>	<u>471,867</u>
Administrative expenses		
Directors' remuneration	-	5,040
Secretarial assistance	8,053	8,600
Rent	8,000	8,000
Rates, light and heat	362	805
Insurance	19,705	22,042
Repairs and maintenance	23,259	21,426
Printing, postage and stationery	857	1,048
Telephone	1,473	1,358
Travelling expenses	4,136	4,471
Legal and professional fees	10,529	7,768
Agents fees	10,758	10,983
Accountancy	5,000	6,800
Audit fees	5,000	4,200
Bank charges	4,527	339
Sundry expenses	2,755	2,128
Amortisation on long leasehold	569	759
Depreciation on office equipment	33	33
	<u>(105,016)</u>	<u>(105,800)</u>
Operating profit	389,134	366,067
Other interest receivable and similar income		
Bank interest received	836	-
Interest on tax refund - received	20	-
	<u>856</u>	<u>-</u>
Interest payable		
Interest paid on loans	11,140	12,012
Other interest paid	-	6,040
	<u>(11,140)</u>	<u>(18,052)</u>
Profit before taxation	378,850	348,015