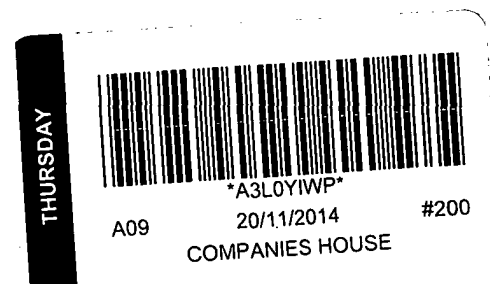


**AMENDED ACCOUNTS
HOWARD AND PALMER LIMITED**

UNAUDITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012



HOWARD AND PALMER LIMITED

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HOWARD AND PALMER LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED ABBREVIATED ACCOUNTS OF HOWARD AND PALMER LIMITED FOR THE YEAR ENDED 31 DECEMBER 2012

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the abbreviated accounts of Howard and Palmer Limited for the year ended 31 December 2012 which comprise of the abbreviated balance sheet and the related notes, from the unaudited financial statements of the company prepared for members.

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

This report is made solely to the board of directors of Howard and Palmer Limited, as a body, in accordance with the terms of our engagement letter dated 13 June 2013. Our work has been undertaken solely to prepare for your approval the abbreviated accounts of Howard and Palmer Limited and state those matters that we have agreed to state to the board of directors of Howard and Palmer Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Howard and Palmer Limited and its board of directors as a body for our work or for this report.

We have not been instructed to carry out an audit or a review of the abbreviated accounts of Howard and Palmer Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the abbreviated accounts.



BDO LLP
Chartered accountants
Great Yarmouth
United Kingdom

14 November 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

HOWARD AND PALMER LIMITED
REGISTERED NUMBER: 02452113

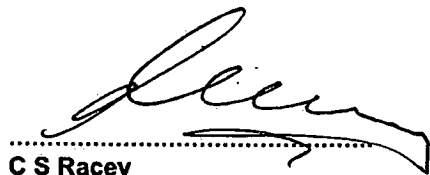
AMENDED ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets.	2		94,459		115,791
Investment property	3		1,411,080		1,596,080
Investments	4		200		200
			1,505,739		1,712,071
CURRENT ASSETS					
Stocks		3,219,528		3,735,916	
Debtors: amounts falling due after more than one year		488,000		512,252	
Debtors: amounts falling due within one year		1,280,954		1,208,174	
Cash at bank		2,286		1,371	
		4,990,768		5,457,713	
CREDITORS: amounts falling due within one year	5	(8,075,537)		(8,065,517)	
NET CURRENT LIABILITIES			(3,084,769)		(2,607,804)
NET (LIABILITIES)/ASSETS			(1,579,030)		(895,733)
CAPITAL AND RESERVES					
Called up share capital	6		100,000		100,000
Revaluation reserve			522,411		607,008
Profit and loss account			(2,201,441)		(1,602,741)
SHAREHOLDERS' DEFICIT			(1,579,030)		(895,733)

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2012 and of its loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, were approved and authorised for issue by the board and were signed on its behalf on 14 November 2014.


C S Racey
 Director

The notes on pages 3 to 6 form part of these financial statements.

HOWARD AND PALMER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Amended Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Due to the existence of bank cross guarantees, secured assets and companies offering financial support, the directors believe the going concern position should be viewed on a basis which takes account of group companies, Howard and Palmer Limited, Howard & Palmer (SA1) Limited, Stepfar (U.K.) Limited, and R. A. Racey (GT. Yarmouth) Limited, a company which the director, C S Racey, controls.

These companies are dependent upon their bankers to meet their day to day working capital requirements through the provision of long term loans. Meeting the repayment terms of the bank facilities is dependent upon the realisation of development stock and the generation of profits. Whilst the directors are confident that they will be able to realise the development sites held, the timing and valuation of these remains uncertain due to the recovering property market. The directors have also reviewed the trading status of the companies and have prepared profit forecasts to 31 December 2015, which assume an increase in revenue, to generate profits. They believe that they have taken appropriate steps to generate this increase in revenue although it may take some time for these changes to flow through to working capital and therefore the timing of this is also uncertain.

The company is therefore reliant upon its bankers offering a sufficient facility to meet its liabilities as they fall due. The directors are confident that this support will be forthcoming and, for this reason, the directors continue to adopt the going concern basis of accounting.

1.2 Turnover

Turnover comprises:

- i) the value of goods and services supplied by the company, exclusive of value added tax and trade discounts;
- ii) sales of property, net of value added tax, recognised as the later date of exchange contract or the completion of property.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	20% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

HOWARD AND PALMER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.5 Investment properties

Investment properties are included in the balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

1.6 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost is determined on a first in first out basis and includes all direct costs incurred and attributable production overheads. Costs also include interest on specific site borrowings. Net realisable value is based on estimated selling price allowing for all further costs of completion and disposal.

The net realisable value of development properties is at the directors best estimate.

1.8 Deferred taxation

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

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Other operating income

Other operating income is recognised when the company has fulfilled the obligations relating to the service being provided.

HOWARD AND PALMER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

2. AMENDED TANGIBLE FIXED ASSETS

	£
Cost or valuation	
At 1 January 2012 and 31 December 2012	328,960
Depreciation	
At 1 January 2012	213,169
Charge for the year	21,332
At 31 December 2012	234,501
Net book value	
At 31 December 2012	94,459
At 31 December 2011	115,791

3. AMENDED INVESTMENT PROPERTY

	£
Valuation	
At 1 January 2012	1,596,080
Disposals	(185,000)
At 31 December 2012	1,411,080
Comprising	
Cost	903,535
Annual revaluation surplus/(deficit): 2011	507,545
At 31 December 2012	1,411,080

The 2012 valuations were made by the directors, on an open market value for existing use basis.

4. AMENDED FIXED ASSET INVESTMENTS

	£
Cost or valuation	
At 1 January 2012 and 31 December 2012	200
Net book value	
At 31 December 2012	200
At 31 December 2011	200

HOWARD AND PALMER LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2012

4. AMENDED FIXED ASSET INVESTMENTS (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Swansea Laser Clinics Limited	ordinary £1 shares	100 %
South Wales Specials Limited	ordinary £1 shares	100 %
Howard & Palmer (SA1) Limited	ordinary £1 shares	100 %

The aggregate of the share capital and reserves as at 31 December 2012 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit £
Swansea Laser Clinics Limited	33,034	-
South Wales Specials Limited	1,986,164	806,465
Howard & Palmer (SA1) Limited	(4,303,028)	(140,434)
	<u> </u>	<u> </u>

5. AMENDED CREDITORS:

Amounts falling due within one year

Bank borrowings of £2,605,345 (2011 - £2,965,191) are secured by a first charge over various sites being developed by the company.

6. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
75,000 Ordinary A shares of £1 each	75,000	75,000
25,000 Ordinary B shares of £1 each	25,000	25,000
	<u> </u>	<u> </u>
	100,000	100,000
	<u> </u>	<u> </u>

7. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

This company is controlled by Stephar (U.K.) Limited. In the opinion of the directors, the ultimate parent company is European Pharmaceutical Holdings BV, a company incorporated in the Netherlands. The ultimate controlling party is C S Racey.