Company Registration No. 02470366 (England and Wales)

KINGS PROPERTY MANAGEMENT PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

KINGS PROPERTY MANAGEMENT PLC

COMPANY INFORMATION

Directors	N D Brandon-King R G King
Secretary	N D Brandon-King
Company number	02470366
Registered office	103 High Street Maidenhead Berkshire SL6 1JX
Auditors	Harwood Hutton Limited 22 Wycombe End Beaconsfield Buckinghamshire HP9 1NB
Business address	103 High Street Maidenhead Berkshire SL6 1JX

KINGS PROPERTY MANAGEMENT PLC

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KINGS PROPERTY MANAGEMENT PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012.

Principal activities and review of the business

The principal activity of the company continued to be that of residential letting and property management.

The directors are satisfied with the performance of the company for the year.

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk.

The company has in place a risk management programme that seeks to limit the possible adverse effects on the financial performance of the company, by monitoring levels of cash and performing a thorough appraisal of any potential new projects.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management, and the company's finance department implements the policies set by the board of directors. The department has specific guidelines agreed by the directors to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

Credit risk
The company has implemented policies that require appropriate credit checks on potential customers before the accounts are accepted.

The amount of exposure to any individual debtor is limited and is assessed continually by the board.

Interest rate risk
The company has interest bearing assets, but no such liabilities. Interest bearing assets include only cash balances that earn interest at a floating rate.

Price risk
Expenditure made by the company is authorised prior to it being made by management, in order to ensure that goods and services are not obtained at a higher price than necessary.

The directors consider the state of the company's affairs at the year end to be satisfactory.

The directors consider turnover and operating profit to be the key performance indicators of the company. During the year the company generated turnover of £220,787 and an operating profit of £49,237 compared to £226,653 and an operating profit of £46,723 in the last financial year. By reducing operating costs, the company has been able to increase its operating profits for the year.

Results and dividends

The results for the year are set out on page 6.

An interim ordinary dividend was paid amounting to £26,921. The directors do not recommend payment of a final dividend.

Future developments

The directors expect to see growth of the business in the future.

Directors

The following directors have held office since 1 April 2011:

N D Brandon-King
R G King

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:
- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditors

The auditors, Harwood Hutton Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

N D Brandon-King
Director
11 September 2012

KINGS PROPERTY MANAGEMENT PLC

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KINGS PROPERTY MANAGEMENT PLC

We have audited the financial statements of Kings Property Management Plc for the year ended 31 March 2012 set out on pages 6 to 18. 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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.
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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF KINGS PROPERTY MANAGEMENT PLC

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.

Jonathan Cable (Senior Statutory Auditor)
for and on behalf of Harwood Hutton Limited

14 September 2012

Chartered Accountants
Statutory Auditor

22 Wycombe End
Beaconsfield
Buckinghamshire
HP9 1NB

KINGS PROPERTY MANAGEMENT PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Turnover	**2**	220,787	226,653
Administrative expenses		(193,305)	(199,228)
Other operating income		21,755	19,298
Operating profit	**3**	49,237	46,723
Other interest receivable and similar income	**4**	7,333	6,947
Profit on ordinary activities before taxation		56,570	53,670
Tax on profit on ordinary activities	**5**	(11,297)	(11,271)
Profit for the year	**14**	45,273	42,399

The accompanying accounting policies and notes form part of these financial statements.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

KINGS PROPERTY MANAGEMENT PLC

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Profit for the financial year		45,273	42,399
Unrealised surplus on revaluation of properties		9,000	-
Total recognised gains and losses relating to the year		54,273	42,399

The accompanying accounting policies and notes form part of these financial statements.

KINGS PROPERTY MANAGEMENT PLC

BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Intangible assets	7		5,400		9,000
Tangible assets	8 and 9		208,874		203,860
			214,274		212,860
Current assets					
Debtors	10	4,154		7,454	
Cash at bank and in hand		161,422		119,698	
		165,576		127,152	
Creditors: amounts falling due within one year	11	(53,318)		(40,465)	
Net current assets			112,258		86,687
Total assets less current liabilities			326,532		299,547
Provisions for liabilities	12		(3,134)		(3,501)
			323,398		296,046
Capital and reserves					
Called up share capital	13		16,342		16,342
Share premium account	14		2,430		2,430
Revaluation reserve	14		61,019		52,019
Profit and loss account	14		243,607		225,255
Shareholders' funds	15		323,398		296,046

The accompanying accounting policies and notes form part of these financial statements.

Approved by the Board and authorised for issue on 11 September 2012

N D Brandon-King
Director

Company Registration No. 02470366

KINGS PROPERTY MANAGEMENT PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

	£	2012 £	£	2011 £
Net cash inflow from operating activities		70,148		60,610
Returns on investments and servicing of finance				
Interest received	7,333		6,947	
Net cash inflow for returns on investments and servicing of finance		7,333		6,947
Taxation		(9,692)		(10,551)
Capital expenditure				
Payments to acquire tangible assets	(144)		(9,915)	
Receipts from sales of tangible assets	1,000		-	
Net cash inflow/(outflow) for capital expenditure		856		(9,915)
Equity dividends paid		(26,921)		(26,921)
Net cash inflow before management of liquid resources and financing		41,724		20,170
Increase in cash in the year		41,724		20,170

KINGS PROPERTY MANAGEMENT PLC

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2012

1	**Reconciliation of operating profit to net cash inflow from operating activities**	**2012**	**2011**
		£	**£**
	Operating profit	49,237	46,723
	Depreciation of tangible assets	3,619	4,193
	Amortisation of intangible assets	3,600	3,600
	Profit on disposal of tangible assets	(489)	-
	Decrease in debtors	3,300	24,671
	Increase/(decrease) in creditors within one year	10,881	(18,577)
	Net cash inflow from operating activities	70,148	60,610

2	**Analysis of net funds**	**1 April 2011**	**Cash flow**	**Other non-cash changes**	**31 March 2012**
		£	**£**	**£**	**£**
	Net cash:				
	Cash at bank and in hand	119,698	41,724	-	161,422
	Bank deposits	-	-	-	-
	Net funds	119,698	41,724	-	161,422

3	**Reconciliation of net cash flow to movement in net funds**	**2012**	**2011**
		£	**£**
	Increase in cash in the year	41,724	20,170
	Movement in net funds in the year	41,724	20,170
	Opening net funds	119,698	99,528
	Closing net funds	161,422	119,698

KINGS PROPERTY MANAGEMENT PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

1 Accounting policies

1.1 Accounting convention

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

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Office Equipment	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3	**Operating profit**	**2012**	**2011**
		£	**£**
	Operating profit is stated after charging:		
	Amortisation of intangible assets	3,600	3,600
	Depreciation of tangible assets	3,619	4,193
	and after crediting:		
	Profit on disposal of tangible assets	(489)	-
	Auditors' remuneration		
	Fees payable to the company's auditor for the audit of the company's annual accounts	4,250	3,950
	All other services	2,540	3,592
		6,790	7,542

4	**Investment income**	**2012**	**2011**
		£	**£**
	Bank interest	7,333	6,947
		7,333	6,947

5	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U.K. corporation tax	11,664	9,692
	Total current tax	11,664	9,692
	Deferred tax		
	Origination and reversal of timing differences	(367)	1,579
		11,297	11,271
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	56,570	53,670
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%)	11,314	11,271
	Effects of:		
	Deferred tax	367	(1,579)
	Change in tax rates	(17)	-
		350	(1,579)
	Current tax charge for the year	11,664	9,692

6	Dividends	2012	2011
		£	£
	Ordinary interim paid	26,921	26,921

7 **Intangible fixed assets**

	Goodwill
	£
Cost	
At 1 April 2011 & at 31 March 2012	18,000
Amortisation	
At 1 April 2011	9,000
Charge for the year	3,600
At 31 March 2012	12,600
Net book value	
At 31 March 2012	5,400
At 31 March 2011	9,000

8 **Tangible fixed assets**

	Office Equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 April 2011	27,673	30,128	8,770	66,571
Additions	-	144	-	144
Disposals	-	-	(8,770)	(8,770)
At 31 March 2012	27,673	30,272	-	57,945
Depreciation				
At 1 April 2011	22,036	12,550	8,125	42,711
On disposals	-	-	(8,259)	(8,259)
Charge for the year	845	2,640	134	3,619
At 31 March 2012	22,881	15,190	-	38,071
Net book value				
At 31 March 2012	4,792	15,082	-	19,874
At 31 March 2011	5,637	17,578	645	23,860

9 Tangible fixed assets

	Investment properties
	£
Cost or valuation	
At 1 April 2011	180,000
Revaluation	9,000
At 31 March 2012	189,000
Net book value	
At 31 March 2012	189,000
At 31 March 2011	180,000

The investment property is shown at current open market value of £189,000 (2011 - £180,000). The valuation was made by N D Brandon-King, a director of the company.

On an historical cost basis this would have been included at an original cost of £140,914 (2011 - £140,914).

10 Debtors

	2012	2011
	£	£
Other debtors	926	1,180
Prepayments and accrued income	3,228	6,274
	4,154	7,454

11 Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	2,562	3,301
Corporation tax	11,664	9,692
Other taxes and social security costs	13,418	14,023
Directors' current accounts	18,209	6,099
Other creditors	351	351
Accruals and deferred income	7,114	6,999
	53,318	40,465

12 Provisions for liabilities

	Deferred tax liability
	£
Balance at 1 April 2011	3,501
Profit and loss account	(367)
Balance at 31 March 2012	3,134

The deferred tax liability is made up as follows:

	2012	2011
	£	£
Accelerated capital allowances	3,134	3,501

13 Share capital

	2012	2011
	£	£
Allotted, called up and fully paid		
16,342 Ordinary shares of £1 each	16,342	16,342

14 Statement of movements on reserves

	Share premium account	Revaluation reserve	Profit and loss account
	£	£	£
Balance at 1 April 2011	2,430	52,019	225,255
Profit for the year	-	-	45,273
Dividends paid	-	-	(26,921)
Revaluation during the year	-	9,000	-
Balance at 31 March 2012	2,430	61,019	243,607

15 Reconciliation of movements in shareholders' funds

	2012	2011
	£	£
Profit for the financial year	45,273	42,399
Dividends	(26,921)	(26,921)
	18,352	15,478
Other recognised gains and losses	9,000	-
Net addition to shareholders' funds	27,352	15,478
Opening shareholders' funds	296,046	280,568
Closing shareholders' funds	323,398	296,046

16 Directors' remuneration

	2012	2011
	£	£
Remuneration for qualifying services	3,608	3,608

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2012	2011
	Number	Number
Management and administration	6	6

Employment costs	2012	2011
	£	£
Wages and salaries	107,118	99,297
Social security costs	10,029	9,146
	117,147	108,443

18 Control

The ultimate controlling party is N D Brandon-King by virtue of his majority shareholding.

19 Related party relationships and transactions

During the year a dividend of £26,921 (2011 - £26,921) was declared and this was credited to N D Brandon-King's loan account. Payments of £24,000 (2011 - £24,000) were made to N D Brandon-King so that at the balance sheet date the company owed N D Brandon-King £5,841 (2011 - £2,920).

During the year the company incurred management charges of £12,000 (20110 - £12,000) for accounting and administration services provided by N D Brandon-King trading as Kings Property Management. The company also made payments of £1,900 (2011 - £1,775) on behalf of Kings Property Management and Kings Property Management made payments on behalf of the company of £36,089 (2011 - £55,241).

The company leased premises in Reading from Kings Property Management at the market rate of £12,000 (2011 - £12,000). During the year the company made payments of £49,000 (2011 - £50,000) to Kings Property Management so that at the balance sheet date, the company owed £12,368 to (2011 - £3,178) N D Brandon-King trading as Kings Property Management.

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