REGISTRAR'S COPY

Company Registration No. 03870621 (England and Wales)

SHEPHERD FOODS HOLDINGS LIMITED

ANNUAL REPORT

FOR THE PERIOD ENDED 30 DECEMBER 2012

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COMPANIES HOUSE

SHEPHERD FOODS HOLDINGS LIMITED

DIRECTORS AND ADVISERS

Directors	J A W Shepherd Sir Richard Shepherd
Secretary	S Gomes
Company number	03870621
Registered office	2-5 Duke of York Square London SW3 4LY
Registered auditors	Venthams Millhouse 32 - 38 East Street Rochford Essex SS4 1DB
Business address	2-5 Duke of York Square London SW3 4LY

SHEPHERD FOODS HOLDINGS LIMITED

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SHEPHERD FOODS HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 DECEMBER 2012

The directors present their report and financial statements for the period ended 30 December 2012

Principal activities and review of the business
The principal activity of the company is the rental of investment property The principal activity of the wholly owned subsidiary is that of providing a neighbourhood supermarket service for the retail provision of groceries, provisions, fresh and frozen foods, wines, beers, spirits and confectionery within Central London at hours to suit the public

The results for the period and the financial position at the period end were considered satisfactory by the directors who expect continued growth in the foreseeable future

There are no specific risks and uncertainties associated with the company or its subsidiary The subsidiary is however subject to general risks and uncertainties due to competition from other supermarkets and the reduction in the level of expenditure by customers due to the current economic climate

Results and dividends
The consolidated profit and loss account for the period is set out on page 5

An interim ordinary dividend was paid amounting to £84,900 The directors do not recommend payment of a final dividend

Market value of land and buildings
In the opinion of the directors the market value of land and buildings exceeds the current net book value

Future developments
The directors foresee no major developments in the near future

Directors
The following directors have held office since 26 December 2011

J A W Shepherd
Sir Richard Shepherd

	2012 £	2011 £
During the period the group made the following payments		
Charitable donations	1,290	2,803

Auditors
The auditors, Venthams, are deemed to be reappointed under section 487(2) of the Companies Act 2006

SHEPHERD FOODS HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2012

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 group and of the profit or loss of the group 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 group 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 the group 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 the group 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 group'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 group's auditors are aware of that information

On behalf of the board

Richard Shepherd

Sir Richard Shepherd

Director

18/09/2013

SHEPHERD FOODS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SHEPHERD FOODS HOLDINGS LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Shepherd Foods Holdings Limited for the period ended 30 December 2012 set out on pages 5 to 29 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 sections 495 and 496 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 - 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 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 Annual 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 group's and parent company's affairs as at 30 December 2012 and of the group's profit for the period 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 period for which the financial statements are prepared is consistent with the financial statements

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SHEPHERD FOODS HOLDINGS LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



18/09/2013

Steven Baldwin (Senior Statutory Auditor)
for and on behalf of Venthams

Chartered Accountants
Statutory Auditor

Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

SHEPHERD FOODS HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 30 DECEMBER 2012

	Notes	Period ended 30 December 2012 £	Period ended 25 December 2011 £
Turnover	2	4,143,151	4,078,061
Cost of sales		(2,416,003)	(2,319,392)
Gross profit		1,727,148	1,758,669
Administrative expenses		(1,601,354)	(1,650,598)
Other operating income		151,537	160,646
Operating profit	3	277,331	268,717
Other interest receivable and similar income		-	3
Other finance costs	16	(40,000)	(14,000)
Profit on ordinary activities before taxation	3	237,331	254,720
Tax on profit on ordinary activities	4	(46,932)	(48,027)
Profit on ordinary activities after taxation		190,399	206,693

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

SHEPHERD FOODS HOLDINGS LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE PERIOD ENDED 30 DECEMBER 2012

	Period ended 30 December 2012 £	Period ended 25 December 2011 £
Profit for the financial period	190,399	206,693
Actuarial gain/(loss) on pension scheme	24,000	(187,000)
Total recognised gains and losses relating to the period	214,399	19,693

SHEPHERD FOODS HOLDINGS LIMITED

BALANCE SHEETS

AS AT 30 DECEMBER 2012

	Notes	Group 2012 £	Group 2011 £	Company 2012 £	Company 2011 £
Fixed assets					
Intangible assets	7	(651,632)	(734,820)	-	-
Tangible assets	8 and 9	5,783,138	5,737,436	5,650,905	5,627,545
Investments	10	2,985	2,985	100,000	100,000
		5,134,491	5,005,601	5,750,905	5,727,545
Current assets					
Stocks	11	205,014	227,834	-	-
Debtors	12	771,850	844,499	505,416	507,596
Cash at bank and in hand		289,189	235,936	249,953	209,683
		1,266,053	1,308,269	755,369	717,279
Creditors. amounts falling due within one year	13	(475,629)	(507,667)	(418,226)	(463,450)
Net current assets		790,424	800,602	337,143	253,829
Total assets less current liabilities		5,924,915	5,806,203	6,088,048	5,981,374
Creditors· amounts falling due after more than one year	14	-	(25,000)	-	(25,000)
Provisions for liabilities	15	(7,747)	(9,534)	-	-
		5,917,168	5,771,669	6,088,048	5,956,374
Retirement benefit asset		23,000	39,000	-	-
		5,940,168	5,810,669	6,088,048	5,956,374
Capital and reserves					
Called up share capital	17	100,000	100,000	100,000	100,000
Revaluation reserve	18	3,565,711	3,565,711	4,104,868	4,104,868
Other reserves	18	23,000	39,000	-	-
Profit and loss account	18	2,251,457	2,105,958	1,883,180	1,751,506
Shareholders' funds	19	5,940,168	5,810,669	6,088,048	5,956,374

SHEPHERD FOODS HOLDINGS LIMITED

BALANCE SHEETS (CONTINUED)

AS AT 30 DECEMBER 2012

Approved by the Board and authorised for issue on 18/09/2013

Richard Shepherd

Sir Richard Shepherd
Director

Company Registration No. 03870621

SHEPHERD FOODS HOLDINGS LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 DECEMBER 2012

	£	Period ended 30 December 2012 £	£	Period ended 25 December 2011 £
Net cash inflow from operating activities		345,004		260,656
Returns on investments and servicing of finance				
Interest received	-		3	
Net cash (outflow)/inflow for returns on investments and servicing of finance		-		3
Taxation		(46,056)		(68,788)
Capital expenditure				
Payments to acquire tangible assets	(76,998)		(31,415)	
Net cash outflow for capital expenditure		(76,998)		(31,415)
Equity dividends paid		(84,900)		(84,900)
Net cash inflow before management of liquid resources and financing		137,050		75,556
Financing				
Repayment of long term bank loan	(50,000)		(50,000)	
Net cash outflow from financing		(50,000)		(50,000)
Increase in cash in the period		87,050		25,556

SHEPHERD FOODS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 30 DECEMBER 2012

1 Reconciliation of operating profit to net cash inflow from operating activities

	2012	2011
	£	£
Operating profit	277,331	268,717
Depreciation of tangible assets	28,168	18,699
Amortisation of intangible assets	(83,188)	(83,188)
Loss on disposal of tangible assets	3,128	-
Decrease/(increase) in stocks	22,820	(22,294)
Decrease in debtors	72,649	85,120
Increase/(decrease) in creditors within one year	24,096	(6,398)
Net cash inflow from operating activities	345,004	260,656

2 Analysis of net funds

	26 December 2011	Cash flow	Other non-cash changes	30 December 2012
	£	£	£	£
Net cash				
Cash at bank and in hand	235,936	53,253	-	289,189
Bank overdrafts	(33,797)	33,797	-	-
	202,139	87,050	-	289,189
Debts falling due within one year	(50,592)	25,000	-	(25,592)
Debts falling due after one year	(25,000)	25,000	-	-
Net funds	126,547	137,050	-	263,597

3 Reconciliation of net cash flow to movement in net funds

	2012	2011
	£	£
Increase in cash in the period	87,050	25,556
Cash outflow from decrease in debt	50,000	50,000
Movement in net funds in the period	137,050	75,556
Opening net funds	126,547	50,991
Closing net funds	263,597	126,547

SHEPHERD FOODS HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 DECEMBER 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 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 December 2012 The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes Intra-group sales and profits are eliminated fully on consolidation

1.4 Turnover

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

1.5 Goodwill

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

1 6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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

Land and buildings Freehold	See below
Land and buildings Leasehold	Over the period of the lease
Fixtures, fittings & equipment	10% & 33 33% straight line

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

No depreciation is provided in respect of freehold property as it would be immaterial due to the high residual values of the properties In accordance with FRS11 the directors carry out impairment reviews at the end of each period to ensure the carrying value is not greater than the recoverable amount

1.7 Leasing

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

1 Accounting policies **(continued)**

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.9 Stock

Stock is valued at the lower of cost and net realisable value

1 10 Pensions

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet

1 11 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 group for the period 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	(83,188)	(83,188)
Depreciation of tangible assets	28,168	18,699
Loss on disposal of tangible assets	3,128	-
Operating lease rentals	177,853	176,168

Auditors' remuneration

Fees payable to the group's auditor for the audit of the group's annual accounts (company £850, 2011 £850)	6,550	6,550
Accountancy	6,305	5,225
	12,855	11,775

4 Taxation	2012 £	2011 £
Domestic current year tax		
U K corporation tax	48,719	46,056
Total current tax	48,719	46,056
Deferred tax		
Deferred tax charge/credit current year	(1,787)	1,971
	46,932	48,027
Factors affecting the tax charge for the period		
Profit on ordinary activities before taxation	237,331	254,720
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24 50% (2011 - 26 49%)	58,146	67,475
Effects of		
Non deductible expenses	1,630	2,480
Depreciation add back	(13,480)	(17,083)
Capital allowances	(5,479)	(7,564)
Other tax adjustments	7,902	748
	(9,427)	(21,419)
Current tax charge for the period	48,719	46,056

Investment properties are included in the financial statements at a valuation of £4,700,905 Should the properties be sold for this sum, tax of £696,068 would be payable

Freehold property is included in the financial statements at a valuation of £950,001 Should the property be sold for this sum, tax of £102,348 would be payable

5 Profit for the financial period

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements The profit for the financial period is made up as follows

	2012 £	2011 £
Holding company's profit for the financial period	216,574	201,073

6 Dividends	2012 £	2011 £
Ordinary interim paid	84,900	84,900

7 Intangible fixed assets

Group

	Negative Goodwill £
Cost	
At 26 December 2011 & at 30 December 2012	(1,663,753)
Amortisation	
At 26 December 2011	(928,933)
Charge for the period	(83,188)
At 30 December 2012	(1,012,121)
Net book value	
At 30 December 2012	(651,632)
At 25 December 2011	(734,820)

Negative goodwill is being written back in the profit and loss account over a period of 20 years

8 Tangible fixed assets

Group

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings & equipment £	Total £
Cost or valuation				
At 26 December 2011	950,001	132,480	706,233	1,788,714
Additions	-	-	53,638	53,638
Disposals	-	-	(5,055)	(5,055)
At 30 December 2012	950,001	132,480	754,816	1,837,297
Depreciation				
At 26 December 2011	-	121,533	607,289	728,822
On disposals	-	-	(1,927)	(1,927)
Charge for the period	-	-	28,168	28,168
At 30 December 2012	-	121,533	633,530	755,063
Net book value				
At 30 December 2012	950,001	10,947	121,286	1,082,234
At 25 December 2011	950,001	10,947	98,944	1,059,892

Comparable historical cost for the land and buildings included at valuation

	£
Cost	
At 26 December 2011 & at 30 December 2012	356,643
Depreciation based on cost	
At 26 December 2011	-
Charge for the period	-
At 30 December 2012	-
Net book value	
At 30 December 2012	356,643
At 25 December 2011	356,643

The gross amount of non-depreciable assets is £950,001 (2011 £950,001)

Tangible fixed assets (continued)
Company

	Land and buildings Freehold £
Cost or valuation	
At 26 December 2011 & at 30 December 2012	950,001
Depreciation	
At 26 December 2011 & at 30 December 2012	-
Net book value	
At 30 December 2012	950,001
At 25 December 2011	950,001

The valuation of freehold property was made as at 30 December 2010 by Messrs Knight Frank, Chartered Surveyors, on an open market basis No depreciation is provided in respect of this property

Comparable historical cost for the land and buildings included at valuation·

	£
Cost	
At 26 December 2011 & at 30 December 2012	356,643
Depreciation based on cost	
At 26 December 2011	-
Charge for the period	-
At 30 December 2012	-
Net book value	
At 30 December 2012	356,643
At 25 December 2011	356,643

9 **Tangible fixed assets**

Investment properties	**Group**	**Company**
	£	**£**
Cost or valuation		
At 26 December 2011	4,677,544	4,677,544
Additions	23,360	23,360
At 30 December 2012	4,700,904	4,700,904
Depreciation		
At 26 December 2011 & at 30 December 2012	-	-
Net book value		
At 30 December 2012	4,700,904	4,700,904
At 25 December 2011	4,677,544	4,677,544

The valuation of investment properties were made as at 27 February 2007 by Messrs Knight Frank, Chartered Surveyors, on an open market basis No depreciation is provided in respect of these properties

On an historical cost basis these would have been included at an original cost of £1,189,394

10 Fixed asset investments

Group

	Unlisted investments	Total
	£	£
Cost or valuation		
At 26 December 2011 & at 30 December 2012	2,985	2,985
Net book value		
At 30 December 2012	2,985	2,985
At 25 December 2011	2,985	2,985

Company

	Shares in group undertakings
	£
Cost or valuation	
At 26 December 2011 & at 30 December 2012	100,000
Net book value	
At 30 December 2012	100,000
At 25 December 2011	100,000

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Shepherd Foods (London) Limited	England & Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Shepherd Foods (London) Limited	Supermarket retail

The open market value of fixed asset investments does not differ materially from the balance sheet value

11 Stocks

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Finished goods and goods for resale	205,014	227,834	-	-

12 Debtors

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	23,672	25,735	23,481	25,661
Other debtors	700,796	769,868	481,935	481,935
Prepayments and accrued income	47,382	48,896	-	-
	771,850	844,499	505,416	507,596

Amounts falling due after more than one year and included in the debtors above are

	2012	2011	2012	2011
	£	£	£	£
Other debtors	-	756,899	-	481,935

13 Creditors · amounts falling due within one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	25,592	84,389	25,000	50,000
Trade creditors	226,686	184,105	1,200	-
Amounts owed to group undertakings	-	-	232,406	244,478
Corporation tax	48,719	46,056	48,719	46,056
Taxes and social security costs	33,328	35,880	9,771	10,217
Directors current accounts	30,484	42,053	30,484	42,053
Other creditors	12,775	11,866	-	-
Accruals and deferred income	98,045	103,318	70,646	70,646
	475,629	507,667	418,226	463,450
Debt due in one year or less	25,000	50,000	25,000	50,000

The bank overdraft is secured by a composite cross guarantee between Shepherds Foods (London) Limited, Partridges of Sloane Street Limited, Partridges of Sloane Square Limited and C & J Carpets Limited The company's bankers hold a mortgage debenture over all assets of the company

14 Creditors : amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	-	25,000	-	25,000
Analysis of loans				
Wholly repayable within five years	25,592	75,592	25,000	75,000
Included in current liabilities	(25,592)	(50,592)	(25,000)	(50,000)
	-	25,000	-	25,000
Loan maturity analysis				
In more than one year but not more than two years	-	25,000	-	25,000

The bank loan is secured by a first legal mortgage on the property at Drury Lane

15 Provisions for liabilities

Group

	Deferred taxation £
Balance at 26 December 2011	9,534
Profit and loss account	(1,787)
Balance at 30 December 2012	7,747

The deferred tax liability is made up as follows

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Accelerated capital allowances	7,747	9,534	-	-

16 Pension and other post-retirement benefit commitments

Defined contribution

The group operates a defined contribution pension scheme The assets of the scheme are held separately from those of the group in an independently administered fund The pension cost charge represents contributions payable by the group to the fund

	2012 £	2011 £
Contributions payable by the group for the period	36,946	35,748

Employee benefit obligations

The group operates a pension scheme providing benefits based on final pensionable pay The assets of the scheme are held separately from those of the group, being invested with insurance companies

At the date of the last valuation the scheme was fully funded on the ongoing basis and therefore contribtions were payable in respect of the future service accrual only The scheme is now closed to existing members meaning the future service accrual has ceased and contributions are no longer payable

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method The most recent valuation was at 31 December 2010 The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions It was assumed that the investment returns would be 3 4% per annum, that salary increases no longer apply as the scheme has been closed and that present and future pensions would increase at rate of 3 15% per annum

The most recent actuarial valuation showed that the market value of the scheme's assets was £2,475,000 and that the actuarial value of those assets represented 109% of the benefits that had accrued to members

The amounts recognised in the balance sheet are as follows.

	Defined benefit pension plans	
	2012 £	2011 £
Present value of funded obligations	(2,516,000)	(2,459,000)
Fair value of plan assets	2,539,000	2,498,000
Net asset	23,000	39,000

16 Pension costs (continued)

The amounts recognised in the profit and loss are as follows:

	Defined benefit pension plans	
	2012	2011
	£	£
Included in other finance costs		
Interest on obligation	125,000	123,000
Expected return on pension scheme assets	(85,000)	(109,000)
	40,000	14,000
Actual return on plan assets	63,000	23,000

Analysis of amount recognised in the statement of total recognised gains and losses:

	Defined benefit pension plans	
	2012	2011
	£	£
Actual return less expected return on pension scheme assets	(22,000)	(86,000)
Experience gains and losses arising on scheme liabilities	23,000	45,000
Changes in assumptions underlying the present value of the scheme liabilities	23,000	(146,000)
	24,000	(187,000)

16 Pension costs **(continued)**

Changes in the present value of the defined benefit obligation are as follows

	Defined benefit pension plans	
	2012	**2011**
	£	**£**
Opening defined benefit obligation	2,459,000	2,235,000
Interest cost	125,000	123,000
Actuarial losses (gains)	(46,000)	101,000
Benefits paid	(22,000)	-
Total	2,516,000	2,459,000

Changes in fair value of plan assets are as follows:

	Defined benefit pension plans	
	2012	**2011**
	£	**£**
Opening fair value of plan assets	2,498,000	2,475,000
Expected return	85,000	109,000
Actuarial losses	(22,000)	(86,000)
Benefits paid	(22,000)	-
	2,539,000	2,498,000

The major categories of plan assets as a percentage of total plan assets are as follows:

	2012	**2011**
	%	**%**
Other assets	100	100

16 Pension costs **(continued)**

Principal actuarial assumptions at the balance sheet date (expresssed as weighted averages):

	2012 %	2011 %
Discount rate at 30 December 2012	4 80	5 10
Expected return on plan assets at 30 December 2012	2 95	3 40
Future pension increases	2 75	3 15

The long-term expected rate of return on cash is determined by reference to bank base rates at the balance sheet dates

Amounts for the current and previous four periods are as follows:

Defined benefit pension plans

	2012 £	2011 £	2010 £	2009 £	2008 £
Defined benefit obligation	(2,516,000)	(2,459,000)	(2,235,000)	(2,135,000)	(1,836,000)
Plan assets	2,539,000	2,498,000	2,475,000	2,146,000	2,043,000
Surplus/(deficit)	23,000	39,000	240,000	11,000	207,000
Experience adjustments on plan liabilities	23,000	45,000	(32,000)	78,000	(95,000)
Experience adjustments on plan assets	(22,000)	(86,000)	299,000	(23,000)	(61,000)

17 Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
100,000 Ordinary Shares of £1 each	100,000	100,000

18 Statement of movements on reserves

Group

	Revaluation reserve	Other reserves (see below)	Profit and loss account
	£	£	£
Balance at 26 December 2011	3,565,711	39,000	2,105,958
Profit for the period	-	-	190,399
Dividends paid	-	-	(84,900)
Actuarial gains or losses on pension scheme assets	-	-	24,000
Transfer between profit and loss account reserve and pension scheme reserve	-	(16,000)	16,000
Balance at 30 December 2012	3,565,711	23,000	2,251,457

Other reserves

Pension scheme reserve

Balance at 26 December 2011	39,000
Decrease	(16,000)
Balance at 30 December 2012	23,000

Company

	Revaluation reserve	Profit and loss account
	£	£
Balance at 26 December 2011	4,104,868	1,751,506
Profit for the period	-	216,574
Dividends paid	-	(84,900)
Balance at 30 December 2012	4,104,868	1,883,180

19 Reconciliation of movements in shareholders' funds

Group	**2012** £	**2011** £
Profit for the financial period	190,399	206,693
Dividends	(84,900)	(84,900)
	105,499	121,793
Other recognised gains and losses	24,000	(187,000)
Net addition to/(depletion in) shareholders' funds	129,499	(65,207)
Opening shareholders' funds	5,810,669	5,875,876
Closing shareholders' funds	5,940,168	5,810,669

Company	**2012** £	**2011** £
Profit for the financial period	216,574	201,073
Dividends	(84,900)	(84,900)
Net addition to shareholders' funds	131,674	116,173
Opening shareholders' funds	5,956,374	5,840,201
Closing shareholders' funds	6,088,048	5,956,374

20 Financial commitments

At 30 December 2012 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2012 £	**2011** £
Expiry date		
Between two and five years	70,000	-
In over five years	43,650	113,650
	113,650	113,650

21 Directors' emoluments

	2012	2011
	£	£
Emoluments for qualifying services	96,306	95,614

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1)
The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 2 (2011- 2)

22 Employees

Number of employees
The average monthly number of employees (including directors) during the period was

	2012	2011
	Number	Number
Sales and administration	62	66

Employment costs	2012	2011
	£	£
Wages and salaries	1,003,780	1,024,080
Social security costs	84,958	86,462
Other pension costs	54,925	42,259
	1,143,663	1,152,801

23 Control

The ultimate controlling party for this and the preceding perod is Sir Richard Shepherd, a director and majority shareholder of the company

24 Related party relationships and transactions

Advances and credits to directors

Advances and credits granted to the directors during the period are outlined in the table below

	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
J A W Shepherd - Advance	-	311	-	-	-	311
		311	-	-	-	311

Dividends to Directors

The following directors were paid dividends during the period as outlined in the table below

	2012 £	2011 £
Sir Richard Shepherd	71,370	71,370
J A W Shepherd	13,530	13,530
	84,900	84,900

Group

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

Transactions with other related parties are as follows

A sum of £86,426 (2011 £89,996) was received from Partridges of Sloane Street Limited, a company under common control, in respect of management charges At the period end, £677,416 (2011 £756,899) was due from that company

A sum of £65,112 (2011 £70,650) was received from Partridges of Sloane Square Limited, a company under common control, in respect of management charges

Company

At the period end, the company was owed £481,935 (2011 £481,935) by Partridges of Sloane Street Limited, a company connected by virtue of common control and ownership

During the year J A W Shepherd continued to occupy the flat at 14/15 Spring Street, a property owned by the company The consideration paid to the company remained at £Nil

At the period end J A W Shepherd was owed £3,530 (2011 £3,530) by the company and Sir Richard Shepherd was owed £26,954 (2011 £38,523) by the company