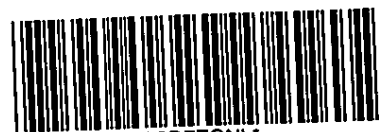


Registered Number 235326

Andrews And Partners Limited  
Annual Report  
for the year ended 31 December 2012

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# **Andrews And Partners Limited**

## **Annual report for the year ended 31 December 2012**

### **Contents**

Directors and advisers	1
Directors' report	2
Independent Auditors' report	5
Consolidated Profit and loss account	7
Consolidated Note of historical cost profits and losses	8
Statement of Total recognised gains and losses	8
Consolidated Balance sheet	9
Company Balance sheet	10
Consolidated Cash flow statement	11
Note to the Cash flow statement	12
Notes to the financial statements	13

# **Andrews And Partners Limited**

## **Directors and advisers for the year ended 31 December 2012**

### **Directors**

The directors of the company, who served throughout the year and up to the date of signing the financial statements except where indicated, were -

WJ Glover                      (Chairman)  
P Heal  
A Radford  
M Robson  
N K Wright

### **Secretary**

N K Wright

### **Registered Office**

The Clockhouse  
Bath Hill  
Keynsham  
Bristol  
BS31 1HL

### **Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
31 Great George Street  
Bristol  
BS1 5QD

### **Solicitors**

Harris and Harris  
14 Market Place  
Wells  
Somerset  
BA5 2RE

### **Bankers**

Barclays Bank Plc  
Corporate Banking Centre  
Park House  
Newbrick Road  
Stoke Gifford  
Bristol  
BS34 8TN

# **Andrews And Partners Limited**

## **Directors' report for the year ended 31 December 2012**

The directors have pleasure in presenting their report and the audited financial statements of Andrews and Partners Limited and subsidiaries ("The Group") for the year ended 31 December 2012

### **Registration number**

235326

### **Principal activities**

The principal activities of the group are in residential estate agency and residential letting and management. The group maintained ancillary services in surveying and financial services.

### **Review of business and future developments**

Turnover increased 6% in 2012 compared to 2011 in what continued to be a challenging residential property market with volumes of transactions remaining flat. Each division of the group managed to increase turnover during the year.

The group profit on ordinary activities before tax and charitable donations of £1,127,681 was the highest since the downturn in the property market in 2007. This result was a significant improvement on the comparative 2011 figure of £110,826. The increase in profit was achieved by a combination of increasing turnover and controlling costs which contributed to a greater profit margin. Administrative expenses increased only 2.6% on 2011 which was less than half the increase in turnover.

The most important factor in the higher group profits in 2012 was a recovery in the estate agency division. This division turned round a loss on ordinary activities before tax of £990,085 in 2011 to a profit of £278,133 in 2012. The turnaround was achieved by improving average commission per sale at the same time as reducing costs.

Cash flow was strong in 2012 with bank balances increasing £1,416,923 during the year to £6,874,144 at 31 December 2012. It should be noted, however, that this figure is before the charitable donations to shareholders of £394,688 which were made after the year end.

The outlook for 2013 is for a similar market to 2012 with conditions continuing to be challenging. However, the group is well placed to trade profitably and take advantage of profitable opportunities for expansion in the future.

### **Results and dividends**

The trading results for the year and the financial position of the company and group are shown in the annexed financial statements. The directors do not recommend the payment of a dividend. The profit for the financial year of £513,760 (2011: loss of £204,147) has been added to (2011: deducted from) reserves.

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements are set out on page 1.

# **Andrews And Partners Limited**

## **Directors' report for the year ended 31 December 2012 (continued)**

### **Financial risks**

The group's turnover is dependent on the volume of activity in the property market which is sensitive to interest rate movements as they affect the cost of borrowing to finance house purchases. During 2012 the Bank of England kept base rates at 0.5% throughout the year. The outlook is for rates to continue at this level in the foreseeable future.

Movements in interest rates also impact the group in terms of the interest receivable on tenants' deposits. Interest receivable earned on clients' monies increased in 2012 due to higher fixed deposit rates being available and this trend is expected to continue in 2012.

### **Directors' indemnities**

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### **Directors' responsibilities statement**

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 prepared the group and parent company 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 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 company and 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.

# **Andrews And Partners Limited**

## **Directors' report for the year ended 31 December 2012 (continued)**

### **Provision of information to auditors**

In accordance with Section 418 of the Companies Act 2006, each director in office at the date the directors' report is approved, confirms that

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

### **Land and buildings**

At 31 December 2012 the group's freeholds were internally revalued as part of an impairment review and this resulted in no adjustment to the valuation. There are no significant differences between the market value and book amount of land and buildings

### **Charitable donations and charitable shareholding**

The company is 100% owned by three registered charities. In 2012 the group made £394,688 charitable donations (2011 £300,000) to the shareholding charities

### **Employment of disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues. Training, career development and promotion of a disabled person is, as far as possible, identical to that of other employees who are not disabled

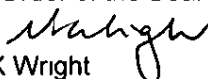
### **Employee involvement**

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group. This is achieved by the Company intranet, regular e mail updates, consultations and conferences

### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting

By Order of the Board



N K Wright

Secretary

4<sup>th</sup> July 2013

# **Andrews And Partners Limited**

## **Independent Auditors' report to the members of Andrews and Partners Limited**

We have audited the group and parent company financial statements (the "financial statements") of Andrews and Partners Limited for the year ended 31 December 2012 which comprise the Consolidated profit and loss account, the Consolidated note of historical cost profits and losses, the Statement of total recognised gains and losses, the Consolidated and parent company balance sheets, the Consolidated cash flow statement, and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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 group's and parent 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 group's and the parent company's affairs as at 31 December 2012 and of the group's profit and cash flows 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.

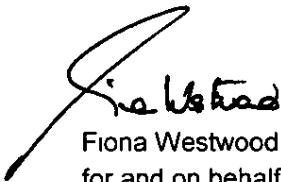
## **Andrews And Partners Limited**

### **Independent Auditors' report to the members of Andrews and Partners Limited (continued)**

#### **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



Fiona Westwood (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol, 16 July 2013



# Andrews And Partners Limited

## Consolidated profit and loss account for the year ended 31 December 2012

	Note	2012 £	2012 £	2011 £	2011 £
<b>Group turnover</b>	2		<b>29,526,058</b>		27,839,967
Administrative expenses			<b>(28,683,915)</b>		(27,960,735)
Other operating income			<b>48,106</b>		51,191
<b>Group operating profit/(loss)</b>			<b>890,249</b>		(69,577)
Interest receivable and similar income	3	<b>318,565</b>		255,508	
Interest payable and similar charges	3	<b>(81,133)</b>		(75,105)	
			<b>237,432</b>		180,403
<b>Profit on ordinary activities before taxation and charitable donations</b>			<b>1,127,681</b>		110,826
Charitable donations	18,19		<b>(394,688)</b>		(300,000)
<b>Profit/(loss) on ordinary activities before taxation</b>	3		<b>732,993</b>		(189,174)
Tax on profit/(loss) on ordinary activities	6		<b>(219,233)</b>		(14,973)
<b>Profit/(loss) for the financial year</b>	15		<b>513,760</b>		(204,147)

All results relate to continuing activities

## Andrews And Partners Limited

### Consolidated note of historical cost profits and losses

	2012 £	2011 £
Reported profit/(loss) on ordinary activities before taxation	732,993	(189,174)
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	(30,127)	(30,127)
Historical cost profit/(loss) on ordinary activities before taxation	702,866	(219,301)
Historical cost profit/(loss) for the year retained after taxation	483,633	(234,274)

### Statement of total recognised gains and losses

	Note	2012 £	2011 £
Profit/(loss) for the financial year		513,760	(204,147)
Revaluation of freeholds	7	-	(245,282)
Total recognised gains/(losses) related to the year		513,760	(449,429)

# Andrews And Partners Limited

## Consolidated Balance sheet as at 31 December 2012

	Note	2012	2012	2011	2011
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		5,272,994		5,104,729
Investments	8		120,021		160,021
<b>Current assets</b>					
Debtors	9	1,967,302		1,894,196	
Cash at bank and in hand		6,874,144		5,457,221	
		8,841,446		7,351,417	
Creditors - amounts falling due within one year	10	(4,213,328)		(3,869,574)	
<b>Clients' monies</b>					
Cash at bank		10,118,171		9,712,175	
Due to clients		(10,118,171)		(9,712,175)	
<b>Net current assets</b>			4,628,118		3,481,843
<b>Total assets less current liabilities</b>			10,021,133		8,746,593
Creditors - amounts falling due after more than one year	11		(1,223,306)		(497,487)
Provisions for liabilities and charges	12		(370,644)		(335,683)
<b>Net assets</b>			8,427,183		7,913,423
<b>Capital and reserves</b>					
Called up share capital	14		146,630		146,630
Revaluation reserve	15		1,373,309		1,373,309
Profit and loss account	15		6,907,244		6,393,484
<b>Total shareholders' funds</b>	16		8,427,183		7,913,423

The financial statements on pages 7 to 29 were approved by the board of directors on and were signed on its behalf by

  
Mr Robson  
Director

# Andrews And Partners Limited

## Company balance sheet as at 31 December 2012

	Note	2012 £	2012 £	2011 £	2011 £
<b>Fixed assets</b>					
Investments	8		200,201		200,201
<b>Current assets</b>					
Debtors	9	946,737		841,658	
Cash at bank and in hand		-		9,125	
		946,737		850,783	
Creditors - amounts falling due within one year	10	(396,827)		(3,782)	
<b>Net current assets</b>			<b>549,910</b>		<b>847,001</b>
<b>Total assets less current liabilities and net assets</b>			<b>750,111</b>		<b>1,047,202</b>
<b>Capital and reserves</b>					
Called up share capital	14		146,630		146,630
Profit and loss account	15		603,481		900,572
<b>Total shareholders' funds</b>	16		<b>750,111</b>		<b>1,047,202</b>

The financial statements on pages 7 to 29 were approved by the Board of Directors on 4<sup>th</sup> July 2013 and were signed on its behalf by

  
M. Rebson  
Director

# Andrews And Partners Limited

## Consolidated cash flow statement for the year ended 31 December 2012

	2012	2012	2011	2011
	£	£	£	£
<b>Net cash inflow from operating activities</b>	<b>2,177,863</b>		<b>1,351,689</b>	
<b>Returns on investments and servicing of finance</b>				
Interest received	315,726		215,620	
Interest paid	(81,133)		(75,105)	
Purchase of own shares	-		(69,375)	
Charitable donations	-		(300,000)	
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>	<b>234,593</b>		<b>(228,860)</b>	
<b>Taxation – UK Corporation tax paid</b>	<b>(1,563)</b>		<b>(48,150)</b>	
<b>Capital expenditure</b>				
Payments to acquire tangible fixed assets	(1,213,400)		(860,619)	
Receipts from sale of tangible fixed assets	92,117		51,538	
<b>Net cash outflow for capital expenditure</b>	<b>(1,121,283)</b>		<b>(809,081)</b>	
<b>Financing -debenture loans</b>	<b>127,313</b>		<b>42,870</b>	
<b>Increase in cash in the year</b>	<b>1,416,923</b>		<b>308,468</b>	
<b>Reconciliation of net cash flow to movement in net funds</b>				
Increase in cash in the year	1,416,923		308,468	
Net funds at 1 January	5,457,221		5,148,753	
<b>Net funds at 31 December</b>	<b>6,874,144</b>		<b>5,457,221</b>	
	<b>1 January 2012</b>	<b>Cash Flow</b>	<b>31 December 2012</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	
Cash in hand and at bank	5,457,221	1,416,923	6,874,144	
Debt due within one year	(1,062,266)	598,506	(463,760)	
Debt due after one year	(497,487)	(725,819)	(1,223,306)	
	3,897,468	1,289,610	5,187,078	

# Andrews And Partners Limited

## Note to the cash flow statement

### Reconciliation of operating profit/(loss) to net cash inflow from operating activities

	2012	2011
	£	£
Operating profit/(loss)	890,249	(69,577)
Depreciation charges	983,096	1,056,978
Amortisation of investment	40,000	40,000
Revaluation of freeholds	-	51,084
Profit on sale of tangible fixed assets	(30,078)	(19,651)
Increase in debtors	(204,331)	(16,623)
Increase in creditors	463,966	278,324
Increase in provision for liabilities and charges	34,961	31,154
Net cash inflow from operating activities	2,177,863	1,351,689

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 1. Accounting policies

The financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and in accordance with UK applicable accounting standards and the Companies Act 2006. A summary of the more important accounting policies, which have been applied consistently except where noted as a change to accounting policy, and are set out below.

#### **Basis of consolidation**

The consolidated financial statements incorporate audited financial statements of the company and its subsidiaries. Subsidiaries are listed in note 8 to the financial statements. As permitted by S408 of the Companies Act 2006, the parent company's profit and loss account has not been included in these financial statements. The parent company's profit before tax for the financial year was £1,197 (2011: £474).

#### **Turnover**

##### **a) Estate Agency**

Commission receivable in respect of the sale of property on behalf of clients is recognised in the financial statements on completion of each sale.

##### **b) Other Activities**

Turnover represents commission and fees from property letting and management, and commissions from financial services. Initial commission on financial services is recognised as income when the policy goes on risk. A provision is made for future clawbacks of initial commission anticipated to arise in the indemnity period. Renewal commission is recognisable on a received basis. Fees and commissions receivable from clients of the property letting and management business are credited to the profit and loss account on completion of the letting of the property, as rents fall due or over the duration of the management contract.

#### **Fixed assets**

The group has continued to adopt a policy of revaluation for its properties and separates these assets into components where they have significantly different economic useful lives. Fixed assets are stated at cost or valuation less depreciation calculated on the following basis:

##### **a) Freehold premises**

Freehold buildings are depreciated on a straight-line basis over 50 years.  
Freehold land is not depreciated.

##### **b) Short leasehold premises**

Premises with leases with less than 50 years to run are depreciated over the unexpired period of the lease.

# **Andrews And Partners Limited**

## **Notes to the financial statements for the year ended 31 December 2012**

### **1. Accounting policies (continued)**

#### **c) Furniture and equipment**

Furniture and equipment is depreciated on a straight-line basis at varying rates from 20% to 33% per annum

#### **d) Motor vehicles**

Owned motor vehicles are depreciated on a straight-line basis over 4 years

#### **Revaluation reserve**

Increases in valuations arising on the revaluation of tangible fixed assets are taken to the revaluation reserve. Any decreases in valuations are taken to the revaluation reserve to the extent that the individual properties have been revalued upwards previously.

#### **Deferred taxation**

Provision is made for deferred taxation on all material timing differences. Deferred tax assets are recognised where their recovery is considered more likely than not. Deferred tax assets and liabilities have not been discounted.

#### **Operating leases**

Payments under operating leases are expensed when incurred. Premiums paid under operating leases to secure a leasehold property are capitalised within fixed assets and amortised over the life of the lease.

#### **Pension scheme arrangements**

The company provides defined contribution post retirement benefits to its current employees. The defined contributions are recognised on an accruals basis.

#### **Charitable donations**

Charitable donations are recognised when payable.

#### **Associated companies**

Associated companies are accounted for under the equity method of accounting. Any goodwill arising on the acquisition of associated companies is amortised over 5 years.



# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 2. Group turnover

Turnover arises wholly in the UK and represents amounts receivable for services provided to third parties and comprises

	2012 £	2011 £
Estate agency	<b>14,155,154</b>	13,138,485
Letting and management	<b>11,074,233</b>	10,891,317
Surveying	<b>2,388,340</b>	1,959,853
Financial services	<b>1,908,331</b>	1,850,312
	<b>29,526,058</b>	27,839,967

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 3. Profit/(loss) on ordinary activities before taxation

	2012 £	2011 £
Estate Agency	278,133	(990,085)
Financial services	132,136	114,423
Letting and management	738,081	1,060,216
Surveying	(20,669)	(73,728)
Charitable donations	(394,688)	(300,000)
	<b>732,993</b>	<b>(189,174)</b>
And is stated after charging/(crediting)		
Interest payable on		
- bank loans and overdrafts	-	9,248
- other loans	81,133	65,857
	<b>81,133</b>	<b>75,105</b>
Interest receivable on		
- bank deposits	318,565	255,508
Interest receivable	<b>318,565</b>	<b>255,508</b>
Profit on sale of fixed assets	(30,082)	(19,651)
Depreciation	983,096	1,056,978
Operating lease charges - Land and Buildings	<b>1,145,842</b>	<b>1,141,052</b>
Services provided by the company's auditor		
Fees payable for the audit of the parent and group accounts	4,000	4,000
Fees payable for the audit of subsidiaries	27,200	27,200
Fees payable for tax compliance	27,400	26,700
Fees payable re purchase of own shares	-	13,500
Fees payable for a pensions review	-	7,600
Fees payable for other services required by legislation	8,250	8,050

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 4. Staff costs

(a) Staff costs (including directors' remuneration comprise):

	2012	2011
	£	£
Salaries	16,012,461	15,164,821
Social security costs	1,724,092	1,638,967
Pension contributions to		
Defined contribution scheme	577,153	608,820
	18,313,706	17,412,608

(b) The full time equivalent average number of persons employed by the group was:

	2012	2011
	Number	Number
Estate agency	223	202
Lettings	192	183
Surveying	23	18
Financial services	20	21
Administration and support	57	55
	515	479

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 5. Directors' emoluments (Company)

	2012 £	2011 £
Aggregate emoluments	565,990	497,674
Company contribution paid to Defined contribution pension scheme	73,906	61,500
Number of directors to whom retirement benefits are accruing under the defined contribution pension scheme	2	2
<b>Highest paid director</b>		
Aggregate emoluments	318,391	268,325
Company contribution paid to Defined contribution pension scheme	50,656	42,000

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 6. Taxation charge on profit/(loss) on ordinary activities

	2012 £	2011 £
UK corporation tax charge/(credit) based on the profit/(loss) for the year adjusted for tax purposes		
- current year at 24 5% (2011 26 5%)	94,106	(8,455)
- prior year overprovision	(482)	(5,840)
<b>Total current tax charge/(credit)</b>	<b>93,624</b>	<b>(14,295)</b>
Deferred tax - prior year (note 13)	(11,610)	1,357
- effect of rate change (note 13)	22,190	28,272
- current year (note 13)	115,029	(361)
<b>Tax on profit/(loss) on ordinary activities</b>	<b>219,233</b>	<b>14,973</b>

The tax for the year is lower than the standard rate of corporation tax in the UK of 24 5% (2011 26 5%) The differences are explained below

	2012 £	2011 £
Profit/(loss) on ordinary activities at the UK tax rate at 24 5% (2011 26 5%)	179,583	(50,131)
<i>Effects of</i>		
Expenses not deductible for tax purposes	22,665	41,198
Accelerated capital allowances/other timing differences	(56,025)	361
Tax at marginal rates	(2,909)	20
Amortisation of investment	9,795	10,597
Utilisation of losses	(59,003)	(10,500)
Adjustments in respect of previous periods	(482)	(5,840)
<b>Total current tax charge/(credit)</b>	<b>93,624</b>	<b>(14,295)</b>

During the year, as a result of the changes in the UK corporation tax rate to 24%, which was substantially enacted on 26 March 2012 and was effective from 1 April 2012, and to 23%, which was substantially enacted on 3 July 2012 and was effective from 1 April 2013, the relevant deferred tax balances have been re-measured

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 6. Tax on (loss)/profit on ordinary activities (continued)

A further reduction to the UK corporation tax rate has been announced. The changes propose to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. The changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements. Based on the current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years at a similar level to the current year.

### 7. Tangible assets

	Freehold premises	Short leasehold premises	Furniture and equipment	Motor vehicles	Total
	£	£	£	£	£
<b>At cost/valuation</b>					
At 1 January 2012	3,012,966	248,961	4,592,395	2,337,245	10,191,567
Additions	-	90,000	524,944	598,456	1,213,400
Disposals	-	(53,892)	-	(396,648)	(450,540)
<b>At 31 December 2012</b>	<b>3,012,966</b>	<b>285,069</b>	<b>5,117,339</b>	<b>2,539,053</b>	<b>10,954,427</b>
<b>Analysis</b>					
At cost	-	234,569	5,117,339	2,539,053	7,890,961
At valuation	3,012,966	50,500	-	-	3,063,466
	3,012,966	285,069	5,117,339	2,539,053	10,954,427
<b>Accumulated depreciation</b>					
1 January 2012	19,466	146,593	3,522,782	1,397,997	5,086,838
Charge for year	40,173	19,856	585,731	337,336	983,096
Disposals	-	(53,892)	-	(334,609)	(388,501)
<b>31 December 2012</b>	<b>59,639</b>	<b>112,557</b>	<b>4,108,513</b>	<b>1,400,724</b>	<b>5,681,433</b>
<b>Net book amounts</b>					
<b>31 December 2012</b>	<b>2,953,327</b>	<b>172,512</b>	<b>1,008,826</b>	<b>1,138,329</b>	<b>5,272,994</b>
31 December 2011	2,993,500	102,368	1,069,613	939,248	5,104,729

# **Andrews And Partners Limited**

## **Notes to the financial statements for the year ended 31 December 2012**

### **7. Tangible assets (continued)**

The group's freehold properties are formally revalued every five years and subject to an impairment review in the intervening years. They were last formally revalued during 2008 on the basis of open market value by independent qualified valuers. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. At 31 December 2012 they were subject to an internal valuation by David Westgate FRICS who is an employee of the Andrews and Partners Group. These valuations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve.

These valuations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to the revaluation reserve. At 31 December 2012 the historical cost of the revalued freehold premises was £2,259,543 (2011 £2,259,543) and short leasehold premises £50,500 (2011 £50,500). At 31 December 2012 the historical net book value of the revalued freehold premises was 1,398,636 (2011 £1,428,764) and short leasehold premises £37,536 (2011 £38,977).

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 total amount unprovided for is £50,000 (2011 £50,000). At present it is not envisaged that any tax will become payable in the foreseeable future.

There were no capital commitments at 31 December 2012 (31 December 2011 nil).

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 8. Fixed asset investments

<b>The group</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
At 1 January 2012		
- Net assets	-	-
- Goodwill	<b>160,021</b>	200,021
Net book amount at 1 January 2012	<b>160,021</b>	200,021
Amortisation		
- Goodwill	<b>(40,000)</b>	(40,000)
At 31 December 2012		
- Net assets	-	-
- Goodwill	<b>120,021</b>	160,021
Net book amount at 31 December 2012	<b>120,021</b>	160,021

<b>Name of associate:</b>	<b>Country of incorporation</b>	<b>Nature of business</b>
Mortgage Options (Partnership Division) Limited	<b>UK</b>	Financial services

The investment in associated company is stated at the net of the group's interest in the net assets of the associated company. The investment in Mortgage Options (Partnership Division) Limited was made when one of the company's subsidiary companies, Andrews Estate Agency Limited, acquired 21% of the ordinary shares, and 100% of the preference shares, of the associated company on 27<sup>th</sup> October 2010. Mortgage Options (Partnership Division) Limited prepares its annual financial statements to 31 December each year, with the first set of financial statements prepared for the period ending on 31 December 2011. For the purposes of accounting for the associated company in the company's group financial statements, the group has obtained unaudited management accounts for the associated company for the year ended 31 December 2012. The goodwill arising on the acquisition of the interest in an associated company is being amortised on a straight line basis over 5 years from 1 January 2011.



# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

The Company	Shares in subsidiaries
At 1 January 2012 and 31 December 2012	200,201

The subsidiaries, all of which have been consolidated, wholly owned and incorporated in England and Wales are

	Proportion of nominal value of shares held		Nature of Business
	By the Company	By the Group	
	%	%	
Andrews Estate Agents Limited	100	100	Estate Agents
Andrews Letting and Management Limited	100	100	Letting Agents
Andrews Pension Trust Limited	100	100	Pension Trustee
Andrews Financial Services	0	100	Financial Services
Landmark Surveyors Limited	100	100	Surveying
Andrews ESOP Limited	100	100	ESOP Trustee

## 9. Debtors

	2012	2011
	£	£
<b>The Group</b>		
Trade debtors	1,007,621	832,456
Other debtors	172,423	137,656
Prepayments and accrued income	559,111	561,873
Corporation tax	-	8,455
Deferred tax asset (note 13)	228,147	353,756
	<b>1,967,302</b>	<b>1,894,196</b>
<b>The Company</b>		
Amounts owed by subsidiary undertakings	946,737	841,658

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 10. Creditors – Amounts falling due within one year

	2012 £	2011 £
<b>The Group</b>		
Trade creditors	436,112	405,829
Outstanding pension contributions	120,267	96,190
Taxation and social security	1,444,117	1,415,697
Corporation tax	83,606	-
Proposed gift aid donation	394,688	-
Debenture loan	20,000	695,721
Loan repayments due within 12 months	443,760	366,545
Accruals	1,270,778	889,592
	<b>4,213,328</b>	<b>3,869,574</b>

The debenture loan is secured on two of the freeholds of the company. Repayment of capital is over 20 years from July 2012 to June 2031. However, unless renegotiated and specifically extended, full repayment is due on 30 June 2016. Interest is charged at a fixed rate of 5.825%.

The other loans are secured against the motor vehicles of the company. Repayment of capital and interest is made on a monthly basis until 2015. Interest payable on these loans is fixed over the duration of the loans and averages 3.1%.

	2012 £	2011 £
<b>The Company</b>		
Amounts due to subsidiary undertakings	1	1
Proposed gift aid donation	394,688	-
Bank overdraft	1,138	-
Corporation tax	-	-
Accruals	1,000	3,781
	<b>396,827</b>	<b>3,782</b>

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 11. Creditors – Amounts falling due after more than one year

The Group	2012 £	2011 £
Debenture loan – amount due between one and two years	21,000	-
Debenture loan – amount due between one and two years	630,163	-
Other loans – amount due between one and two years	327,486	296,247
Other loans – amount due between two and five years	244,657	201,240
	<b>1,223,306</b>	<b>497,487</b>

### 12. Provision for liabilities and charges

The Group	Clawback Provision (Note (i)) £	Surveying Claims (Note (ii)) £	Total £
At 1 January 2012	226,040	109,643	335,683
Utilised in the year	(102,576)	(30,346)	(132,922)
Provided in the year	98,929	68,954	167,883
At 31 December 2012	222,393	148,251	370,644

#### (i) Clawbacks

Provision is made for future clawbacks of initial financial services commission anticipated to arise in the indemnity period

#### (ii) Surveying claims

Provision was made for compensation payable in respect of claims arising from residential surveys carried out by Landmark Surveyors Limited

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 13. Deferred taxation

Breakdown of deferred tax debtor in note 9

	2012 £	2011 £
<b>The Group</b>		
Accelerated capital allowances	326,179	184,306
Losses	12,025	139,805
Other timing differences	(110,057)	29,645
	<b>228,147</b>	<b>353,756</b>

Reconciliation of movement in deferred tax during the year

At 1 January 2012	353,756
Profit and loss – prior year (note 6)	11,610
Profit and loss – current year (note 6)	(115,029)
Effect of rate change (note 6)	(22,190)
<b>At 31 December 2012</b>	<b>228,147</b>

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 14. Called up share capital

#### The Group and the Company

	4 9% cumulative preference shares of £1 each		Ordinary shares of 50p each	
	Number	£	Number	£
<b>Authorised:</b>				
At 1 January 2012 and 31 December 2012	14,960	14,960	370,080	185,040
<b>Allotted, issued and fully paid:</b>				
At 1 January 2012 and 31 December 2012	-	-	293,260	146,630

### 15. Reserves

	Group Profit & Loss Account £	Company Profit & Loss Account £	Group Revaluation Reserve £
At 1 January 2012	6,393,484	900,572	1,373,309
Profit/(loss) for the year	513,760	(297,091)	-
<b>At 31 December 2012</b>	<b>6,907,244</b>	<b>603,481</b>	<b>1,373,309</b>

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 16. Reconciliation of movement in shareholders' funds

#### The Group

	2012 £	2011 £
Opening shareholders' funds	7,913,423	8,432,227
Profit/(loss) for the financial year	513,760	(204,147)
Deficit on revaluation of freeholds	-	(245,282)
Purchase by the Company of own shares	-	(69,375)
Net addition to/(deduction from) shareholders' funds	513,760	(518,804)
Closing shareholders' funds	8,427,183	7,913,423

#### The Company

	2012 £	2011 £
Opening shareholders' funds	1,047,202	1,336,806
Loss for the financial year	(297,091)	(220,229)
Purchase by the Company of own shares	-	(69,375)
Net deduction from shareholders' funds	(297,091)	(289,604)
Closing shareholders' funds	750,111	1,047,202

# Andrews And Partners Limited

## Notes to the financial statements for the year ended 31 December 2012

### 17. Operating lease commitments

Operating lease annual charges not provided for in the group financial statements terminate as follows

	<b>2012</b> <b>Land and</b> <b>Buildings</b> <b>£</b>	<b>2011</b> <b>Land and</b> <b>Buildings</b> <b>£</b>
Expiring within one year	<b>358,630</b>	412,143
Expiring between one and five years	<b>576,837</b>	468,420
Expiring after five years	<b>163,794</b>	218,214
	<b>1,099,261</b>	1,098,777

The company itself had no operating lease commitments at 31 December 2012 (2011 nil)

### 18. Ultimate controlling party

The company's ultimate controlling party is the charity Andrews Charitable Trust, which holds 72.5% of the allotted share capital of Andrews and Partners Limited. There were no amounts due to or from Andrews Charitable Trust at the balance sheet date.

### 19. Related party disclosure

The company made charitable donations to the three shareholding charitable trusts as follows

	<b>2012</b> <b>£</b>	<b>2011</b> <b>£</b>
Andrews Charitable Trust	<b>286,346</b>	217,650
Christian Book Promotion Trust	<b>61,910</b>	47,057
Christian Initiative Trust	<b>46,432</b>	35,293
	<b>394,688</b>	300,000

The company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions and balances with entities that are part of the Andrews and Partners Limited group that have been eliminated on consolidation.