

**Registered number  
00447302**

**W.T. LAMB HOLDINGS LIMITED  
AND SUBSIDIARY UNDERTAKINGS**

**DIRECTORS' REPORT AND  
AUDITED GROUP FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2012**

**TUESDAY**



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**COMPANIES HOUSE**

## **W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

### **COMPANY INFORMATION**

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<b>Directors</b>	R A Lamb R H S Lamb J R Lamb J R C Lamb
<b>Secretary</b>	C Andrews
<b>Auditor</b>	Spofforths LLP A2 Yeoman Gate Yeoman Way Worthing West Sussex BN13 3QZ
<b>Registered office</b>	Nyewood Court Brookers Road Billingshurst West Sussex RH14 9RZ
<b>Registered number</b>	00447302

# **W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

## **CONTENTS**

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<b>Directors' report</b>	1 to 2
<b>Independent auditor's report</b>	3
<b>Consolidated profit and loss account</b>	4
<b>Consolidated statement of total recognised gains and losses</b>	5
<b>Consolidated balance sheet</b>	6
<b>Company balance sheet</b>	7
<b>Consolidated cash flow statement</b>	8
<b>Notes to the financial statements</b>	9 to 19
<i>The following pages do not form part of the statutory financial statements</i>	
<b>Company profit and loss account</b>	20
<b>Consolidated management profit and loss account</b>	21 to 22

## **W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2012**

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The directors present their report together with the audited group financial statements for the year ended 31 December 2012

#### **Principal activities**

The company's principal activity during the year continued to be the letting of owned property, a holding company for the W T Lamb Group and the development of existing and potential land holdings

The group's principal activities continued to be that of

- (i) specialist brick manufacturers and suppliers & the supply of masoned and related stone materials
- (ii) the holding of properties and investments
- (iii) the development of existing and potential land holdings

#### **Results and dividends**

The group profit for the year, after taxation, amounted to £395,609 (2011 £269,893)

A dividend of £166,335 was paid in 2012 and a dividend of £207,918 is proposed by the Board for 2013

#### **Review of the business**

2012 proved an unexpectedly satisfactory year through careful cost management, despite a significant reduction in merchanting turnover, the group has recorded an appreciable increase in net profits, whilst rentals have remained steady despite the doom-laden forecasters' best attempts

That said the Board remains cautious in all matters and is cognisant of the fact that the Joint Venture with Parkland Developments may not yield the value of the sum currently receivable and shown in the financial statements

#### **Future developments**

During the next year the Board will continue to explore all opportunities to maximise trading and development across its portfolio of activities

#### **Directors**

The directors who served during the year were as follows

R A Lamb  
R H S Lamb  
J R Lamb  
J R C Lamb

## **W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2012**

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##### **Directors' responsibilities**

The directors are responsible for preparing the report and financial statements, in accordance with applicable law and regulations

Company law requires the directors to prepare the 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 group and the company and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company or group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group'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

##### **Disclosure of information to the auditor**

So far as each director at the date of approval of this report is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

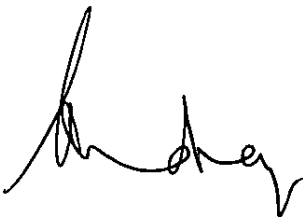
##### **Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime

##### **Auditor**

A resolution to re-appoint Spofforths LLP as auditors will be put to the members at the Annual General Meeting

This report was approved by the board on 23 August 2013 and signed on behalf of the board by



C Andrews  
Secretary

# **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF W.T. LAMB HOLDINGS LIMITED**

## **FOR THE YEAR ENDED 31 DECEMBER 2012**

We have audited the consolidated financial statements of W T Lamb Holdings Limited for the year ended 31 December 2012 which comprise the Consolidated Profit and Loss Account, the Consolidated Balance Sheet, the Consolidated Statement of Total Recognised Gains and Losses 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and the auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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**

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.

### **Basis for qualified opinion on the financial statements**

W T Lamb Holding Limited's investment in Parkland Developments Limited, a joint venture, is carried at £1,174,380 on the balance sheet as at 31 December 2012. We are unable to obtain sufficient appropriate audit evidence about the future recoverability of the carrying value of W T Lamb Holding's Limited investment as at 31 December 2012. Consequently, we are unable to determine whether any adjustments to those amounts are necessary.

### **Qualified opinion on the financial statements**

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the company and the group's affairs as at 31 December 2012 and of the profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

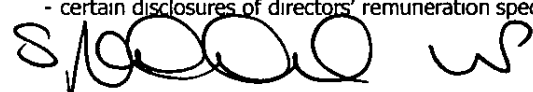
### **Matters on which we are required to report by exception**

In respect solely of the limitation on audit work relating to the joint venture investment, as described above

- we have not received all the information and explanations that we consider necessary for the purpose for our audit.

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
- the financial statements are not in agreement with the accounting records, or
- certain disclosures of directors' remuneration specified by law are not made.

  
**Stephen Kirkham FCA**  
**(Senior Statutory Auditor)**  
for and on behalf of  
**Spofforths LLP**  
Chartered Accountants and Statutory Auditor

**A2 Yeoman Gate**  
**Yeoman Way**  
**Worthing**  
**West Sussex**  
**BN13 3QZ**

19 September 2013

**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS****CONSOLIDATED PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Turnover	2	4,350,211	5,003,768
Cost of sales		(1,907,690)	(2,568,071)
Gross profit		<u>2,442,521</u>	<u>2,435,697</u>
Distribution costs		(134,999)	(155,057)
Administrative expenses		(1,770,898)	(1,854,277)
Operating profit	3	<u>536,624</u>	<u>426,363</u>
Profit on sale of fixed assets		13,372	8,809
Provision against investments		-	(34,130)
Profit before interest		<u>549,996</u>	<u>401,042</u>
Interest receivable and similar income		23,255	33,147
Interest payable and similar charges	5	(51,462)	(54,320)
Profit on ordinary activities before tax		<u>521,789</u>	<u>379,869</u>
Tax on profit on ordinary activities	6	(126,180)	(109,976)
Profit for the financial year	21	<u><u>395,609</u></u>	<u><u>269,893</u></u>

**Continuing operations**

None of the group's activities were acquired or discontinued during the above financial year

**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

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	2012 £	2011 £
<b>Statement of total recognised gains and losses</b>		
Profit for the financial year	<b>395,609</b>	269,893
Unrealised surplus on revalued properties	<b>(197,222)</b>	(220,634)
Unrealised surplus on revalued investment	<b>(1,395,020)</b>	617,219
Total recognised gains and losses since last financial statements	<u><b>(1,196,633)</b></u>	<u>666,478</u>



# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

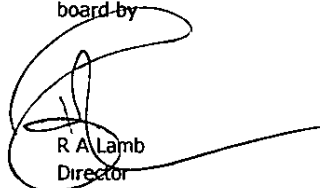
## CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2012

REGISTERED NUMBER: 00447302

	Notes	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Intangible assets	8		286,000		319,000
Tangible assets	9		18,976,128		18,816,173
Investments	10		5,065,790		6,412,722
Investments in joint ventures	12		1,174,380		1,174,380
			<u>25,502,298</u>		<u>26,722,275</u>
<b>Current assets</b>					
Stocks	13	2,653,954		2,339,733	
Debtors	14	1,755,164		1,341,164	
Cash at bank and in hand		434,633		334,263	
		<u>4,843,751</u>		<u>4,015,160</u>	
<b>Creditors: amounts falling due within one year</b>	15	(1,738,256)		(1,396,963)	
<b>Net current assets</b>			3,105,495		2,618,197
<b>Total assets less current liabilities</b>			<u>28,607,793</u>		<u>29,340,472</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(1,720,289)		(1,090,000)
			<u>26,887,504</u>		<u>28,250,472</u>
<b>Capital and reserves</b>					
Share capital	19		1,039,590		1,039,590
Revaluation reserve	20		10,687,451		12,279,693
Capital redemption reserve	20		43,875		43,875
Capital reserve	20		846,362		846,362
Other reserve	20		3,221,620		3,221,620
Profit and loss account	21		11,048,606		10,819,332
<b>Shareholders' funds</b>	22		<u>26,887,504</u>		<u>28,250,472</u>

The financial statements were approved by the board and authorised for issue on 23 August 2013 and signed on behalf of the board by

  
R A Lamb  
Director

  
R H S Lamb  
Director

**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

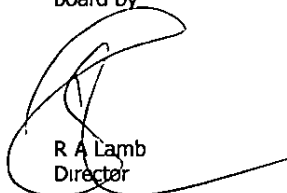
**COMPANY BALANCE SHEET**

**AS AT 31 DECEMBER 2012**

**REGISTERED NUMBER: 00447302**

	Notes	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	9		<b>10,389,243</b>		10,553,631
Investments	10		<b>1,765,303</b>		1,765,303
			<b>12,154,546</b>		12,318,934
<b>Current assets</b>					
Stocks	13	<b>2,010,874</b>		1,824,851	
Debtors	14	<b>3,164,887</b>		2,589,346	
Cash at bank and in hand		<b>417,276</b>		244,671	
		<b>5,593,037</b>		4,658,868	
<b>Creditors: amounts falling due within one year</b>	15	<b>(820,713)</b>		<b>(601,043)</b>	
<b>Net current assets</b>			<b>4,772,324</b>		4,057,825
<b>Total assets less current liabilities</b>			<b>16,926,870</b>		16,376,759
<b>Creditors: amounts falling due after more than one year</b>	16		<b>(1,720,289)</b>		(1,090,000)
			<b>15,206,581</b>		15,286,759
<b>Capital and reserves</b>					
Share capital	19		<b>1,039,590</b>		1,039,590
Revaluation reserve	20		<b>5,076,646</b>		5,217,546
Capital redemption reserve	20		<b>43,875</b>		43,875
Capital reserve	20		<b>222,212</b>		222,212
Profit and loss account	21		<b>8,824,258</b>		8,763,536
<b>Shareholders' funds</b>	22		<b>15,206,581</b>		15,286,759

The financial statements were approved by the board and authorised for issue on 23 August 2013 and signed on behalf of the board by

  
R A Lamb  
Director

  
R H S Lamb  
Director

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## GROUP CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		536,624	426,363
Depreciation		62,980	90,932
Amortisation of intangible fixed assets		33,000	33,000
Increase in stocks		(314,221)	(35,646)
Increase in debtors		(414,000)	(182,511)
Increase in creditors		141,621	414,289
<b>Net cash inflow from operating activities</b>		<b>46,004</b>	<b>746,427</b>
<b>Net cash inflow from operating activities</b>		<b>46,004</b>	<b>746,427</b>
<b>Returns on investments and servicing of finance</b>	27	<b>(28,207)</b>	<b>(21,173)</b>
<b>Capital expenditure and financial investment</b>	27	<b>(454,873)</b>	<b>(1,137,060)</b>
<b>Taxation</b>		<b>(111,373)</b>	<b>(103,958)</b>
<b>Equity dividends paid</b>		<b>(166,335)</b>	<b>(83,167)</b>
<b>Net cash flow before financing</b>	23	<b>(714,784)</b>	<b>(598,931)</b>
<b>Financing</b>	27	<b>696,513</b>	<b>(125,894)</b>
<b>Decrease in cash</b>		<b>(18,271)</b>	<b>(724,825)</b>
<b>Reconciliation of net cash flow to movements in net debt</b>			
Decrease in cash		(18,271)	(724,825)
Cash (outflow)/inflow from (decrease)/increase in debt		(696,513)	125,894
		<b>(714,784)</b>	<b>(598,931)</b>
Net debt at 1 January 2012		(1,009,062)	(410,131)
<b>Net debt at 31 December 2012</b>	28	<b>(1,723,846)</b>	<b>(1,009,062)</b>

# **W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2012**

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#### **1 Principal accounting policies**

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of W T Lamb Holdings Limited and all its subsidiary undertakings drawn up to 31 December each year. No profit or loss account is presented for W T Lamb Holdings Limited as permitted by Section 408 of the Companies Act 2006. Intra group transactions are eliminated on consolidation and all figures therefore relate to external transactions.

##### **Turnover**

Turnover, which is stated net of VAT, comprises rental income and investment income receivable, in addition to amounts receivable for goods and services supplied.

##### **Goodwill**

Purchased goodwill is amortised on a straight-line basis over its estimated useful life of 20 years.

##### **Depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives as follows:

Freehold buildings	Over 25/40 years straight line
Leasehold land and buildings	Over the term of the lease
Plant, machinery and motor vehicles	Over 5-10 years straight line

##### **Investment properties**

Certain of the group's properties are held for long term investment. In accordance with the Statement of Standard Accounting Practice No 19, investment properties are included in the balance sheet at their open market value. The surplus or deficit on annual valuation is transferred to the revaluation reserve. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This policy represents a departure from statutory accounting principles, which require annual depreciation of fixed assets. The directors believe that this policy of not providing depreciation or amortisation is necessary in order for the financial statements to give a true and fair view, since the current value of investment properties, and changes in that current valuation, are of primary importance rather than a calculation of annual depreciation. Depreciation or amortisation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be simply identified or quantified.

The group companies are prohibited by their memorandum of association from distributing realised gains on the sale of property or assets. Consequently, any such gains included in the profit and loss account are transferred to other reserves.

##### **Investments and capital reserve**

Investments are stated at market value based on closing middle market price on a recognised stock exchange. If the value is in excess of original cost or previous valuation the surplus is taken to the revaluation reserve. Any revaluation surplus or deficit arising is transferred to the revaluation reserve except where the deficit is considered to be permanent. Permanent deficits are taken to the profit and loss account. A deficit on a particular investment is charged to the profit and loss account to the extent that it is not covered by surpluses arising on a previous revaluation of that investment. Dividend income from investments is accounted for on a receivable basis and credited to the profit and loss account when received.

The group companies are prohibited by their memorandum of association from distributing, by way of a dividend, realised surpluses on the sale of its investments. The surplus of net proceeds over book value on the sale of investments is included in the profit and loss account and transferred to capital reserves.

##### **Investments in subsidiaries**

Investments in subsidiaries are included at cost (less amounts written off if applicable).

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

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#### 1 Principal accounting policies (continued)

##### Joint ventures

The consolidated financial statements consist of the financial statements of the Company, entities controlled by the Company (its subsidiaries) and the Group's share of interests in joint ventures and associates made up to 31 December each year

Joint ventures are entities in which the Group holds an interest on a long-term basis and which are jointly controlled by the Group and other ventures under a contractual agreement. The Group's share is accounted for based on the proportion of assets owing to the Group

##### Stocks

Stocks, including work in progress, are stated at the lower of cost and net realisable value

##### Pension contributions

The group operates defined contribution pension plans. Contributions are charged to the profit and loss account as they become payable. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end

##### Operating lease commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term

##### Deferred taxation

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the group's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset

##### Finance lease and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the group, are capitalised in the balance sheet and depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

#### 2 Turnover

Turnover represents the value of goods and services supplied by the company net of VAT, together with rental and investment income receivable

The analysis of turnover is as follows

	2012 £	2011 £
Goods and services	2,560,891	3,279,214
Rental income	1,696,944	1,653,743
Investment income	92,376	70,811
	<u>4,350,211</u>	<u>5,003,768</u>

Consolidated turnover includes rental income of the holding company which is shown within other income in its own profit and loss account

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 3 Operating profit

	2012 £	2011 £
<i>The operating profit is stated after charging</i>		
Depreciation of owned fixed assets	57,886	85,838
Depreciation of fixed assets held under finance leases and hire purchase contracts	5,094	5,094
Amortisation of goodwill	33,000	33,000
Hire of equipment - operating leases	17,894	14,310
Auditors' remuneration - non audit services	7,850	6,100
Auditors' remuneration - audit services	32,425	26,775

#### 4 Directors and employees

	2012 £	2011 £
Staff costs, including directors' remuneration, were as follows		
Wages and salaries	1,178,194	1,082,017
Social security costs	134,705	129,285
Other pension costs	25,000	21,300
	1,337,899	1,232,602

The average number of employees, including directors, during the year was as follows

	2012 No.	2011 No
Brickmaking	13	12
Builders merchants	11	7
Property	4	4
Office and management	7	8
	35	31

#### Directors' emoluments

	2012 £	2011 £
Emoluments	336,030	337,106
	336,030	337,106

The highest paid director received emoluments and benefits as follows -

	2012 £	2011 £
Emoluments	110,966	112,042

#### 5 Interest payable and similar charges

	2012 £	2011 £
Bank loans and overdrafts	51,462	53,632
Hire purchase contracts	-	688
	51,462	54,320

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 6 Tax on profit on ordinary activities

	2012 £	2011 £
<b>Analysis of charge in the year</b>		
Current tax		
UK corporation tax on profits of the year	126,180	119,538
Prior year	-	(9,562)
	<b>126,180</b>	<b>109,976</b>
Tax on profit on ordinary activities	<b>126,180</b>	<b>109,976</b>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (24%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<b>521,789</b>	<b>379,869</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 26%)	<b>125,230</b>	<b>98,766</b>
Effects of		
Expenses not deductible for tax purposes	<b>18,827</b>	<b>17,483</b>
Investment income not taxable	<b>(22,170)</b>	<b>(18,411)</b>
Difference in tax rates	<b>1,133</b>	<b>(1,848)</b>
Relief for investment losses	<b>20</b>	<b>-</b>
Capital allowances in excess of depreciation	<b>3,140</b>	<b>8,174</b>
Unrelieved capital losses carried forward	<b>-</b>	<b>15,374</b>
Current tax charge for year as above	<b>126,180</b>	<b>119,538</b>

#### 7 Profit attributable to members of the parent company

As permitted by section 408 of the Companies Act 2006 the parent company's profit and loss account has not been disclosed in the financial statements

The profit before tax and dividends for the year in the financial statements of the parent company was £323,384 (2011 £4,045,800)

#### 8 Intangible fixed assets

Group	Goodwill £
<b>Cost</b>	
At 1 January 2012	660,000
<b>At 31 December 2012</b>	<b>660,000</b>
<b>Amortisation</b>	
At 1 January 2012	341,000
Provided during the year	33,000
<b>At 31 December 2012</b>	<b>374,000</b>
<b>Net Book Values</b>	
<b>At 31 December 2012</b>	<b>286,000</b>
<i>At 31 December 2011</i>	<i>319,000</i>

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 9 Tangible fixed assets

Group	Freehold investment properties £	Leasehold investment properties £	Freehold land and buildings £	Plant, machinery and motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2012	17,254,930	750,685	1,829,286	1,114,251	20,949,152
Additions	399,516	-	-	35,110	434,626
Disposals	-	-	-	(28,431)	(28,431)
Revaluation	(197,222)	-	-	-	(197,222)
<b>At 31 December 2012</b>	<b>17,457,224</b>	<b>750,685</b>	<b>1,829,286</b>	<b>1,120,930</b>	<b>21,158,125</b>
<b>Depreciation</b>					
At 1 January 2012	-	-	1,113,197	1,019,782	2,132,979
Charge for year	-	-	34,704	28,276	62,980
Disposals	-	-	-	(13,962)	(13,962)
<b>At 31 December 2012</b>	<b>-</b>	<b>-</b>	<b>1,147,901</b>	<b>1,034,096</b>	<b>2,181,997</b>
<b>Net book value</b>					
<b>At 31 December 2012</b>	<b>17,457,224</b>	<b>750,685</b>	<b>681,385</b>	<b>86,834</b>	<b>18,976,128</b>
<i>At 31 December 2011</i>	<i>17,254,930</i>	<i>750,685</i>	<i>716,089</i>	<i>94,469</i>	<i>18,816,173</i>
				<b>2012 £</b>	<b>2011 £</b>
Net book value of assets included above held under finance leases and hire purchase contracts					
Motor vehicles				<b>4,250</b>	<b>7,646</b>

Company	Freehold land and buildings £	Investment properties £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2012	1,652,405	9,819,566	447,098	94,206	12,013,275
Additions	-	-	10,220	24,640	34,860
Disposals	-	-	-	(16,951)	(16,951)
Revaluation	-	(140,900)	-	-	(140,900)
<b>At 31 December 2012</b>	<b>1,652,405</b>	<b>9,678,666</b>	<b>457,318</b>	<b>101,895</b>	<b>11,890,284</b>
<b>Depreciation</b>					
At 1 January 2012	936,320	-	439,228	84,096	1,459,644
Charge for year	34,704	-	5,867	4,781	45,352
Disposals	-	-	-	(3,955)	(3,955)
<b>At 31 December 2012</b>	<b>971,024</b>	<b>-</b>	<b>445,095</b>	<b>84,922</b>	<b>1,501,041</b>
<b>Net book value</b>					
<b>At 31 December 2012</b>	<b>681,381</b>	<b>9,678,666</b>	<b>12,223</b>	<b>16,973</b>	<b>10,389,243</b>
<i>At 31 December 2011</i>	<i>716,085</i>	<i>9,819,566</i>	<i>7,870</i>	<i>10,110</i>	<i>10,553,631</i>



# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 9 Tangible fixed assets (continued)

The group's investment properties have been valued by C Rayner, a Chartered Surveyor and the member of staff responsible for property matters, on 31 December 2012

On a historical cost basis, investment properties would have been included as follows

	2012 £	2011 £
Group	<u>9,164,724</u>	<u>8,765,208</u>
Company	<u>4,602,018</u>	<u>4,602,018</u>

It is estimated that if the investment properties had been disposed of at 31 December 2012 at the latest valuation above, the tax liability arising across the group would be in the region of £915,000 (2011 £900,000) Currently there are no plans to sell any of the properties in the portfolio

#### 10 Fixed asset investments

Group	Listed and unlisted £	Other £	Total £
<b>Cost or valuation</b>			
At 1 January 2012	6,410,222	2,500	6,412,722
Additions	48,233	-	48,233
Revaluation	(1,395,020)	-	(1,395,020)
Disposals	(145)	-	(145)
<b>At 31 December 2012</b>	<u><b>5,063,290</b></u>	<u><b>2,500</b></u>	<u><b>5,065,790</b></u>

Listed and unlisted investments traded on the markets are valued at market prices Other unlisted investments are valued by the directors at cost

Listed and unlisted investments	2012 Cost £	2012 Valuation £	2011 Cost £	2011 Valuation £
Listed investments				
In the United Kingdom	<u>1,680,515</u>	<u>1,709,588</u>	<u>1,680,515</u>	<u>2,027,522</u>
Traded on the Alternative Investment Market	<u>2,844,923</u>	<u>3,353,700</u>	<u>2,844,923</u>	<u>4,382,700</u>
	<u><b>4,525,438</b></u>	<u><b>5,063,288</b></u>	<u><b>4,525,438</b></u>	<u><b>6,410,222</b></u>

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 10 Fixed asset investments (continued)

Company	Joint ventures £	Subsidiary undertakings and associates £	Total £
<b>Cost</b>			
At 1 January 2012	1,174,380	690,923	1,865,303
<b>At 31 December 2012</b>	<b>1,174,380</b>	<b>690,923</b>	<b>1,865,303</b>
<b>Amounts Written Off</b>			
At 1 January 2012	-	100,000	100,000
<b>At 31 December 2012</b>	<b>-</b>	<b>100,000</b>	<b>100,000</b>
<b>Net book value</b>			
<b>At 31 December 2012</b>	<b>1,174,380</b>	<b>590,923</b>	<b>1,765,303</b>
<i>At 31 December 2011</i>	<i>1,174,380</i>	<i>590,923</i>	<i>1,765,303</i>

#### 11 Subsidiary undertakings and associates

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Name of Company	Country of registration	Holding	Proportion of voting rights and shares held	Nature of business
W T Lamb & Sons Ltd	England	Ordinary	100%	Brick manufacture
W T Lamb Properties Ltd	England	Ordinary	100%	Property investment
W T Lamb Investments Ltd	England	Ordinary	100%	Investments
Cremer, Whiting & Co ,Ltd	England	Ordinary	100%	Dormant
Newington Bricks Ltd	England	Ordinary	100%	Dormant
Lambs Terracotta & Faience Ltd	England	Ordinary	100%	Dormant
Holborn Nominees Ltd	England	Ordinary	100%	Dormant

The share capital and reserves of the subsidiary undertakings at 31 December 2012 and the results for the year then ended were

	Profit for the year £	Share capital & reserves £
W T Lamb & Sons Ltd	585	293,641
W T Lamb Properties Ltd	103,462	8,199,072
W T Lamb Investments Ltd	64,505	3,560,104
Cremer, Whiting & Co ,Ltd	-	30,000
Newington Bricks Ltd	-	119,280
Lambs Terracotta & Faience Ltd	-	(326,454)
Holborn Nominees Ltd	-	68,431

#### Associated undertaking

The company holds 50% of the allotted share capital in Nyewood Brck Company Limited, a company registered in England and Wales. The capital and reserves of this company are not material.

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 12 Investments in joint ventures

At the balance sheet date, the group and company held a material interest in the following joint ventures

Name of joint venture	Nature of interest	Nature of Business
Colchester	40% profit share	Property development
Brentwood	40% profit share	Property development

The group's and company's share of assets and liabilities in the Joint Ventures in aggregate are as follows

	2012 £	2011 £
<b>Share of assets</b>		
Share of current assets	<u>1,174,380</u>	<u>1,174,380</u>

#### 13 Stocks

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Raw materials and consumables	38,000	40,000	-	-
Finished goods for resale	605,080	474,882	-	-
Property developments	<u>2,010,874</u>	<u>1,824,851</u>	<u>2,010,874</u>	<u>1,824,851</u>
	<u>2,653,954</u>	<u>2,339,733</u>	<u>2,010,874</u>	<u>1,824,851</u>

#### 14 Debtors

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	199,115	223,570	9,756	13,868
Amounts owed by group undertakings	-	-	1,687,731	1,569,393
Other debtors	<u>1,556,049</u>	<u>1,117,594</u>	<u>1,467,400</u>	<u>1,006,085</u>
	<u>1,755,164</u>	<u>1,341,164</u>	<u>3,164,887</u>	<u>2,589,346</u>

#### 15 Creditors: amounts falling due within one year

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Bank overdraft and loan (secured)	438,189	248,739	190,810	120,000
Trade creditors	163,975	126,588	40,410	18,387
Obligations under hire purchase contracts	-	4,586	-	-
Amounts owed to group undertakings	-	-	208,104	104,170
Corporation tax payable	123,589	108,781	94,656	96,384
Other taxation and social security	143,264	135,353	143,264	99,032
Other creditors	<u>869,239</u>	<u>772,916</u>	<u>143,469</u>	<u>163,070</u>
	<u>1,738,256</u>	<u>1,396,963</u>	<u>820,713</u>	<u>601,043</u>

The bank overdraft and loans are secured by an unlimited multilateral guarantee over all the assets of the parent and a number of subsidiary companies

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 16 Creditors: amounts falling due after more than one year

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Bank loan (secured)	<u>1,720,289</u>	<u>1,090,000</u>	<u>1,720,289</u>	<u>1,090,000</u>
	<u>1,720,289</u>	<u>1,090,000</u>	<u>1,720,289</u>	<u>1,090,000</u>

The bank loans are secured against the freehold property at South Godstone Industrial Estate (included within Investment Properties in note 9)

During the year the company entered into a new £1,000,000 loan facility with HSBC Bank Plc. This facility is available for a period of 5 years and interest is charged at 2.8% above the bank's base rate.

On the initial loan entered into in 2010 for a period of 5 years, interest is charged at 2.25% above the bank's base rate.

#### 17 Loans

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts repayable				
In one year or less, or on demand	<u>190,810</u>	<u>120,000</u>	<u>190,810</u>	<u>120,000</u>
Between two and five years	<u>1,720,289</u>	<u>1,090,000</u>	<u>1,720,289</u>	<u>1,090,000</u>
	<u>1,911,099</u>	<u>1,210,000</u>	<u>1,911,099</u>	<u>1,210,000</u>

#### 19 Share Capital

	2012	2011
	£	£
<b>Allotted Equity shares</b>		
4,158,360 Allotted, called up and fully paid ordinary shares of 25p each	<u>1,039,590</u>	<u>1,039,590</u>

#### 20 Reserves

Group	Other reserve	Revaluation reserve	Capital reserve	Capital redemption reserve
	£	£	£	£
At 1 January 2012	3,221,620	12,279,693	846,362	43,875
Deficit on revaluation	-	(1,592,242)	-	-
<b>At 31 December 2012</b>	<u>3,221,620</u>	<u>10,687,451</u>	<u>846,362</u>	<u>43,875</u>
<b>Company</b>		<b>Revaluation reserve</b>	<b>Capital reserve</b>	<b>Capital redemption reserve</b>
		£	£	£
At 1 January 2012		5,217,546	222,212	43,875
Deficit on revaluation		(140,900)	-	-
<b>At 31 December 2012</b>		<u>5,076,646</u>	<u>222,212</u>	<u>43,875</u>

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

#### 21 Profit and loss account

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
At beginning of year	10,819,332	8,121,960	8,763,536	4,892,903
Profit for the financial year	395,609	269,893	227,057	3,953,800
Dividends	(166,335)	(83,167)	(166,335)	(83,167)
Transfers between reserves	-	2,510,646	-	-
At end of the year	<u>11,048,606</u>	<u>10,819,332</u>	<u>8,824,258</u>	<u>8,763,536</u>

#### 22 Reconciliation of shareholders' funds

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Profit for the financial year	395,609	269,893	227,057	3,953,800
Dividends	(166,335)	(83,167)	(166,335)	(83,167)
Deficit on revaluation	<u>(1,592,242)</u>	<u>396,585</u>	<u>(140,900)</u>	<u>(78,495)</u>
Decrease in shareholders' funds	(1,362,968)	583,311	(80,178)	3,792,138
Opening shareholders' funds	28,250,472	27,667,161	15,286,759	11,494,621
Closing shareholders' funds	<u>26,887,504</u>	<u>28,250,472</u>	<u>15,206,581</u>	<u>15,286,759</u>

#### 23 Dividends

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Dividends for which the company became liable during the year				
Dividends paid - equity (Note 22)	<u>166,335</u>	<u>83,167</u>	<u>166,335</u>	<u>83,167</u>

#### 24 Other financial commitments

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Annual commitments under non-cancellable operating leases are as follows				
Motor vehicles				
Expiring within one year	<u>7,645</u>	<u>15,126</u>	<u>7,645</u>	<u>15,126</u>

#### 26 Capital commitments

	2012	2011
	£	£
Amounts contracted for but not provided in the financial statements	<u>-</u>	<u>519,212</u>

# W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2012

27 Gross cash flows	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest received	23,255	33,147
Interest paid	(51,462)	(54,320)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(28,207)</b>	<b>(21,173)</b>
<b>Capital expenditure and financial investment</b>		
Payments to acquire tangible fixed assets and investments	(482,859)	(1,234,368)
Proceeds from the sale of fixed assets and investments	27,986	97,308
<b>Net cash outflow from investing activities</b>	<b>(454,873)</b>	<b>(1,137,060)</b>
<b>Financing</b>		
New loans raised	876,985	-
Loan repayments	(180,472)	(125,984)
<b>Increase/(decrease) in debt</b>	<b>696,513</b>	<b>(125,894)</b>

28 Analysis of changes in net debt	2011 £	Cash Flows £	2012 £
Cash at bank and in hand	334,263	100,370	434,633
Overdrafts	(128,739)	(118,640)	(247,379)
	205,524	(18,270)	187,254
Debt due within one year	(124,586)	(66,224)	(190,810)
Debt due after one year	(1,090,000)	(630,289)	(1,720,289)
	(1,214,586)	(696,513)	(1,911,099)
	<b>(1,009,062)</b>	<b>(714,783)</b>	<b>(1,723,845)</b>

### 29 Related party transactions

During the year the group sold goods and services amounting to £71,894 (2011 £140,175), recharged expenses totalling £27,586 (2011 £83,840), purchased goods amounting to £691,363 (2011 £1,365,753), levied a management charge of £50,000 (2011 £50,000), charged rent totalling £30,100 (2011 £15,050) and charged interest on the loan totalling £21,420 (2011 £19,336) to Sussex Sandstone Limited, a company in which R A Lamb, R H S Lamb, J R C Lamb and J R Lamb are also directors and hold a material interest in the share capital. At the year end a net amount of £767,819 (2011 £435,487) was owed by Sussex Sandstone Limited.

The group has entered into a number of Joint Ventures with Parkland Developments Limited, as set out in note 12. At the end of the year £1,174,380 (2011 £1,174,380) was owed from Parkland Developments Limited to the group.

During the year Clanross Limited provided services across the group totalling £49,668 (2011 £47,468). C Andrews, the group company secretary has a material interest in Clanross Limited. At the year end, an amount of £nil (2011 £694) was owing to Clanross Limited.

During the year Woolshed Designs Limited provided consultancy services totalling £9,690 (2011 £18,696) and were recharged expenses totalling £1,271. J R C Lamb, a director of the group is also a director of Woolshed Designs Limited.

### 30 Pension commitments

The company makes contributions to defined contribution personal scheme for the benefit of a number of employees. The pension cost charge represents contributions payable by the company to the scheme and amounted to £25,000 (2011 £21,300). There were no outstanding or prepaid pensions at the year end.

**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**

**COMPANY PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>501,176</b>	<b>549,643</b>
Cost of sales	-	(25,500)
<b>Gross profit</b>	<b>501,176</b>	<b>524,143</b>
Administrative expenses	<b>(1,104,278)</b>	<b>(1,056,558)</b>
Other operating income - rental income and dividends	<b>938,060</b>	<b>4,608,941</b>
<b>Operating profit</b>	<b>334,958</b>	<b>4,076,526</b>
Interest receivable and similar income	<b>23,217</b>	<b>22,906</b>
Interest payable and similar charges	<b>(34,791)</b>	<b>(53,632)</b>
<b>Profit on ordinary activities before tax</b>	<b>323,384</b>	<b>4,045,800</b>
Tax on profit on ordinary activities	<b>(96,327)</b>	<b>(92,000)</b>
<b>Profit for the financial year</b>	<b>227,057</b>	<b>3,953,800</b>

**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS**  
**CONSOLIDATED MANAGEMENT PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	£	£
<b>Turnover</b>	<b>4,350,211</b>	<b>5,003,768</b>
Cost of sales	<b>(1,907,690)</b>	<b>(2,568,071)</b>
<b>Gross profit</b>	<b>2,442,521</b>	<b>2,435,697</b>
<b>Less expenses</b>		
Distribution costs	<b>134,999</b>	<b>155,057</b>
Administrative expenses	<b>1,770,898</b>	<b>1,854,277</b>
	<b>(1,905,897)</b>	<b>(2,009,334)</b>
<b>Profit before interest</b>	<b>536,624</b>	<b>426,363</b>
<b>Interest payable</b>		
On bank loans and overdrafts	<b>51,462</b>	<b>53,632</b>
On hire purchase obligations	<b>-</b>	<b>688</b>
	<b>(51,462)</b>	<b>(54,320)</b>
<b>Interest receivable</b>		
Bank deposit and loan interest	<b>23,255</b>	<b>33,147</b>
Profit on sale of sale of fixed assets	<b>13,372</b>	<b>8,809</b>
Provision on investment	<b>-</b>	<b>(34,130)</b>
<b>Profit for year before tax</b>	<b>521,789</b>	<b>379,869</b>



**W.T. LAMB HOLDINGS LIMITED AND SUBSIDIARY UNDERTAKINGS****CONSOLIDATED MANAGEMENT PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 £	2011 £
<b>Turnover</b>		
Sales	2,560,891	3,279,214
Rental income	1,696,944	1,653,743
Dividends received	92,376	70,811
	<u>4,350,211</u>	<u>5,003,768</u>
<b>Analysis of Expenses</b>		
<b>Distribution costs</b>		
Depreciation	12,349	13,832
Other costs	122,650	141,225
	<u>134,999</u>	<u>155,057</u>
<b>Administrative expenses</b>		
<b>Employment costs:</b>		
Directors' remuneration	321,786	322,786
Directors' employers national insurance	40,273	39,767
Wages and salaries	578,490	609,676
Staff pension costs	25,000	21,300
Staff training and welfare	13,492	24,368
	<u>979,041</u>	<u>1,017,897</u>
<b>Establishment costs:</b>		
Rent and rates	82,676	103,219
Light, heat and power	35,829	53,261
Repairs and renewals	87,631	118,359
Insurance	35,992	42,695
	<u>242,128</u>	<u>317,534</u>
<b>Other costs:</b>		
Printing, postage and stationery	31,518	35,762
Telephone	18,831	19,734
Legal and professional fees	160,248	115,102
Audit and accountancy fees	40,275	32,875
Bank charges	43,249	22,107
Motor expenses	41,920	46,852
Irrecoverable VAT	-	6,887
Travel and subsistence	28,236	33,334
Advertising	4,397	13,592
Computer consumables	37,838	27,050
Bad and doubtful debts	21,898	36,949
Equipment hire	-	214
Entertaining	11,177	9,338
Sundry expenses	23,963	20,099
Subscriptions	2,548	11,842
Depreciation	50,631	54,109
Amortisation of intangible fixed assets	33,000	33,000
	<u>549,729</u>	<u>518,846</u>
	<u>1,770,898</u>	<u>1,854,277</u>