

# Financial Statements

## Aylesford Holdings Limited

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For the period ended 31 March 2014



Registered number: 01443926

## Company Information

<b>Directors</b>	A J Langton M G L Curle J Hughes
<b>Company secretary</b>	J Hughes
<b>Registered number</b>	01443926
<b>Registered office</b>	440 Kings Road London SW10 0LH
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham West Midlands B4 6AT
<b>Bankers</b>	Barclays Bank plc 1 Churchill Place London E14 5HP
<b>Solicitors</b>	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

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## Directors' report

For the period ended 31 March 2014

The directors present their report and the financial statements for the period ended 31 March 2014.

### **Directors**

The directors who served during the period were:

A J Langton  
M G L Curle  
J Hughes

The directors have third party indemnity insurance.

### **Going concern**

See disclosure in note 1 to the financial statements.

### **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 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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

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

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

**Aylesford Holdings Limited**

## Directors' report

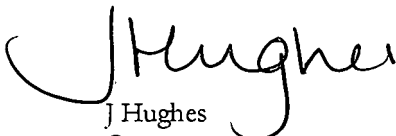
For the period ended 31 March 2014

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



J Hughes  
Company secretary

Date: 19/12/14

## Independent auditor's report to the members of Aylesford Holdings Limited

We have audited the financial statements of Aylesford Holdings Limited for the period ended 31 March 2014, which comprise the consolidated profit and loss account, the consolidated and company balance sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor**

As explained more fully in the directors' responsibilities statement, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2014 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the group and the company's ability to continue as a going concern. The matters explained in note 1 to the financial statements regarding the achievability of the group and company's trading and cash forecasts and the timing of the repayment of tax due to the group and company indicate the existence of a material uncertainty which may cast significant doubt about the group and the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group and company was unable to continue as a going concern.

### **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.

## Independent auditor's report to the members of Aylesford 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

*Grant Thornton UK LLP*

Martin Ramsey (Senior statutory auditor)  
for and on behalf of  
Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Birmingham  
Date: 19/12/14

## Consolidated profit and loss account

For the period ended 31 March 2014

		Period ended 31 March 2014 £	Year ended 30 September 2012 £
	Note		
<b>Turnover</b>	1	6,429,609	4,477,475
Cost of sales		(1,708,897)	(1,277,757)
<b>Gross profit</b>		<u>4,720,712</u>	<u>3,199,718</u>
Administrative expenses		(4,505,074)	(3,378,681)
<b>Operating profit/(loss)</b>	2	<u>215,638</u>	<u>(178,963)</u>
Interest receivable and similar income		83,064	76,105
Interest payable and similar charges		(14,292)	(6,688)
<b>Profit/(loss) on ordinary activities before taxation</b>		<u>284,410</u>	<u>(109,546)</u>
Tax on profit/(loss) on ordinary activities	4	(120,673)	16,800
<b>Profit/(loss) for the financial period</b>		<u><u>163,737</u></u>	<u><u>(92,746)</u></u>

The notes on pages 8 to 17 form part of these financial statements.



## Consolidated balance sheet

As at 31 March 2014

	Note	£	31 March 2014 £	£	30 September 2012 £
<b>Fixed assets</b>					
Tangible assets	5		1,507,765		1,567,354
Investments	6		19,650		19,650
			<u>1,527,415</u>		<u>1,587,004</u>
<b>Current assets</b>					
Debtors	7	4,865,121		3,876,403	
Cash at bank and in hand		591		85,284	
		<u>4,865,712</u>		<u>3,961,687</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(2,709,238)</u>		<u>(2,017,144)</u>	
<b>Net current assets</b>			<u>2,156,474</u>		<u>1,944,543</u>
<b>Total assets less current liabilities</b>			<u>3,683,889</u>		<u>3,531,547</u>
<b>Creditors: amounts falling due after more than one year</b>	9		<u>(21,029)</u>		<u>(32,424)</u>
<b>Net assets</b>			<u><u>3,662,860</u></u>		<u><u>3,499,123</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		50,000		50,000
Revaluation reserve	12		1,386,251		1,386,251
Profit and loss account	12		<u>2,226,609</u>		<u>2,062,872</u>
<b>Shareholders' funds</b>			<u><u>3,662,860</u></u>		<u><u>3,499,123</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



A J Langton  
Director

Date: 19/12/14

The notes on pages 8 to 17 form part of these financial statements.

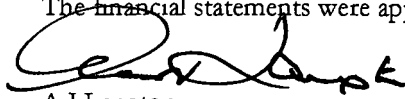
# Company balance sheet

As at 31 March 2014

	Note	£	31 March 2014 £	30 September 2012 £
<b>Fixed assets</b>				
Investments	6		247,962	247,962
<b>Current assets</b>				
Debtors	7	4,376,414		3,542,298
Cash at bank		1		1
		<u>4,376,415</u>		<u>3,542,299</u>
<b>Creditors:</b> amounts falling due within one year	8	<u>(3,953,954)</u>		<u>(3,051,180)</u>
<b>Net current assets</b>			<u>422,461</u>	<u>491,119</u>
<b>Net assets</b>			<u>670,423</u>	<u>739,081</u>
<b>Capital and Reserves</b>				
Called up share capital	11		50,000	50,000
Profit and loss account	12		<u>620,423</u>	<u>689,081</u>
<b>Shareholders' funds</b>			<u>670,423</u>	<u>739,081</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
A J Langton  
Director

Date: 19/12/14

The notes on pages 8 to 17 form part of these financial statements.

# Notes to the financial statements

For the period ended 31 March 2014

## **1. Accounting policies**

### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **1.2 Going concern**

The directors have prepared trading and cash flow forecasts for at least 12 months from the date of signing the financial statements which indicate the group's ability to meet its debts as they fall due. The forecasts include key assumptions around the amount and timing of commissions receivable, which the directors have forecast based on information currently available to them, and are inherently uncertain in the sector in which the group operates. The directors are reporting a strong pipeline of commission income both in terms of properties where exchange has already taken place along with other early stage transactions.

In considering the position with regard to going concern the directors have also considered an amount included within the corporation tax debtor of £706,000 in relation to tax assets which becomes due to the group and company from 1 January 2015. Part of this receipt will be used to settle a short term loan of £500k which becomes repayable on receipt of the tax refund.

The group have a bank overdraft facility which is due for renewal in December 2015,<sup>a</sup> and the directors have considered that this facility is adequate to meet the funding requirements of the group for the foreseeable future.

As such, the directors consider it appropriate to continue to prepare the financial statements on a going concern basis.

### **1.3 Cash flow**

The financial statements do not include a consolidated cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

### **1.4 Basis of consolidation**

The financial statements consolidate the accounts of Aylesford Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own profit and loss account.

The loss for the period dealt with in the accounts of the company was £68,658 (year ended 30 September 2012 - profit of £51,248).

### **1.5 Turnover**

Turnover comprises commission and fees receivable, stated net of value added tax. Commission earned on sales of residential property is recognised on exchange of contract to the extent it is expected to complete and the group has fulfilled all of its contractual obligations. Commission earned on the letting of residential property is recognised over the period of the letting. Income from other services is recognised in the period the services are provided.

# Notes to the financial statements

For the period ended 31 March 2014

## 1. Accounting policies (continued)

### 1.6 Tangible fixed assets and depreciation

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

Freehold property	-	As noted below
Leasehold improvements	-	25% straight line
Plant & machinery	-	33.3% straight line
Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	25% straight line
Website development costs	-	33.33% straight line

The freehold property is maintained as a matter of group policy by a program of repair and refurbishment such that the residual value is at least equal to the book value and the useful economic life of the asset is considered to be greater than 50 years. As a result the asset is not depreciated as any charge would be immaterial.

The freehold property is revalued once every five years with an interim valuation after three years, to an open market value, by an independent Chartered surveyor.

The freehold property is subject to an annual impairment review under Financial Reporting Standard 11. No impairment has been thought to have occurred in each of these financial periods.

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued and will not update that valuation.

### 1.7 Investments

Investments are valued at cost less provision for impairment.

### 1.8 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

### 1.9 Operating leases

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

# Notes to the financial statements

For the period ended 31 March 2014

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

### **1.10 Deferred taxation**

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

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

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

### **1.11 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

### **1.12 Pensions**

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

### **1.13 Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

# Notes to the financial statements

For the period ended 31 March 2014

## 2. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	Period ended 31 March 2014 £	Year ended 30 September 2012 £
Depreciation of tangible fixed assets:		
- owned by the group	46,506	28,863
- held under finance leases	20,835	12,718
Auditor's remuneration	23,800	23,300
Auditor's remuneration - non-audit	14,000	7,100
Pension costs	49,870	38,162
Loss on disposal of fixed assets	-	195
	<u>          </u>	<u>          </u>

Audit fees for the company were £1,000 (year ended 30 September 2012: £1,000)

## 3. Directors' remuneration

	Period ended 31 March 2014 £	Year ended 30 September 2012 £
Remuneration	<u>1,594,885</u>	<u>1,112,029</u>

During the period retirement benefits were accruing to 2 directors (2012 - 3) in respect of defined contribution pension schemes.

## 4. Taxation

	Period ended 31 March 2014 £	Year ended 30 September 2012 £
<b>Analysis of tax charge in the period/year</b>		
<b>Current tax</b>		
UK corporation tax charge on profit/(loss) for the period/year	109,978	14,768
Adjustments in respect of prior periods	66,324	16,035
<b>Total current tax</b>	<u>176,302</u>	<u>30,803</u>
<b>Deferred tax (see note 10)</b>		
Origination and reversal of timing differences	(55,629)	(47,603)
<b>Tax on profit/(loss) on ordinary activities</b>	<u>120,673</u>	<u>(16,800)</u>

## Notes to the financial statements

For the period ended 31 March 2014

## 5. Tangible fixed assets

Group	Freehold land and building £	Leasehold improvements £	Plant & machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Website development costs £
<b>Cost or valuation</b>						
At 1 October 2012	1,452,530	4,016	21,636	55,559	56,098	39,500
Additions	-	3,400	3,372	-	980	-
At 31 March 2014	<u>1,452,530</u>	<u>7,416</u>	<u>25,008</u>	<u>55,559</u>	<u>57,078</u>	<u>39,500</u>
<b>Depreciation</b>						
At 1 October 2012	-	920	14,628	12,718	23,073	10,646
Charge for the period	-	2,436	6,161	20,835	18,160	19,749
At 31 March 2014	<u>-</u>	<u>3,356</u>	<u>20,789</u>	<u>33,553</u>	<u>41,233</u>	<u>30,395</u>
<b>Net book value</b>						
At 31 March 2014	<u>1,452,530</u>	<u>4,060</u>	<u>4,219</u>	<u>22,006</u>	<u>15,845</u>	<u>9,105</u>
At 30 September 2012	<u>1,452,530</u>	<u>3,096</u>	<u>7,008</u>	<u>42,841</u>	<u>33,025</u>	<u>28,854</u>

Group	Total £
<b>Cost or valuation</b>	
At 1 October 2012	1,629,339
Additions	7,752
At 31 March 2014	<u>1,637,091</u>
<b>Depreciation</b>	
At 1 October 2012	61,985
Charge for the period	67,341
At 31 March 2014	<u>129,326</u>
<b>Net book value</b>	
At 31 March 2014	<u>1,507,765</u>
At 30 September 2012	<u>1,567,354</u>

The freehold land and buildings were valued on an open market basis by Lewis Doyle, a firm of independent Chartered Surveyors on 5 December 2012. The freehold property is subject to an annual impairment review. No impairment has been thought to have occurred in each of these financial periods.

# Notes to the financial statements

For the period ended 31 March 2014

## 5. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	31 March 2014	30 September 2012
Group	£	£
Cost	66,279	66,279
Accumulated depreciation	-	-
Net book value	66,279	66,279

## 6. Fixed asset investments

	Unlisted investments £
Group	
Cost or valuation	
At 1 October 2012 and 31 March 2014	24,425
Impairment	
At 1 October 2012 and 31 March 2014	4,775
Net book value	
At 31 March 2014	19,650
At 30 September 2012	19,650

### Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Aylesford & Co (Estate Agents) Limited	Ordinary	100%
Silvergrad Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2014 and of the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Aylesford & Co (Estate Agents) Limited	2,254,597	898,375
Silvergrad Limited	1,746,453	113,670



## Notes to the financial statements

For the period ended 31 March 2014

**6. Fixed asset investments (continued)**

Company	Investments in subsidiary companies £	Unlisted investments £	Total £
<b>Cost or valuation</b>			
At 1 October 2012 and 31 March 2014	292,008	23,775	315,783
<b>Impairment</b>			
At 1 October 2012 and 31 March 2014	63,046	4,775	67,821
<b>Net book value</b>			
At 31 March 2014	228,962	19,000	247,962
At 30 September 2012	228,962	19,000	247,962

**7. Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>31 March 2014 £</b>	<b>30 September 2012 £</b>	<b>31 March 2014 £</b>	<b>30 September 2012 £</b>
<b>Due after more than one year</b>				
Other debtors	3,500,000	-	3,500,000	-
<b>Due within one year</b>				
Trade debtors	232,799	72,799	-	-
Amounts owed by group undertakings	-	-	366	366
Tax recoverable	706,525	551,960	706,525	551,960
Other debtors	154,476	2,963,653	124,003	2,937,624
Prepayments and accrued income	170,783	243,082	-	-
Deferred tax asset (see note 10)	100,538	44,909	45,520	52,348
	<b>4,865,121</b>	<b>3,876,403</b>	<b>4,376,414</b>	<b>3,542,298</b>

Included within other debtors due in more than one year is £3,500,000 (30 September 2012: £nil) of gilts receivable from A J Langton in respect of 3.75% UK Treasury Gilts 2021, receivable on 14 March 2019. This amount represents a premium paid by the group on 14 March 2014 for an option to receive 3,821,659 gilts for £1 at maturity. These gilts will be provided by A Langton through an option which was taken in settlement of his director's loan account at the time.

Other debtors include a director's loan account of £nil (30 September 2012: £2,826,100). Interest is charged monthly at a rate of 4% and total interest charged in the period was £nil (30 September 2012: £62,593).

## Notes to the financial statements

For the period ended 31 March 2014

**8. Creditors: Amounts falling due within one year**

	<u>Group</u>		<u>Company</u>	
	31 March 2014 £	30 September 2012 £	31 March 2014 £	30 September 2012 £
Bank loans and overdrafts	445,491	22,822	-	-
Net obligations under finance leases and hire purchase contracts	7,597	7,597	-	-
Trade creditors	178,143	327,422	-	-
Amounts owed to group undertakings	-	-	3,373,395	2,337,297
Taxation	494,464	595,081	332,292	551,960
Other taxation and social security	606,167	535,089	131,600	131,600
Accruals and deferred income	466,347	490,417	33,174	30,323
Other creditors	511,029	38,716	83,493	-
	<u>2,709,238</u>	<u>2,017,144</u>	<u>3,953,954</u>	<u>3,051,180</u>

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

The bank overdraft facility is secured by freehold property and associated assets held by Silvergrad Limited, a subsidiary undertaking, and associated assets held by Aylesford & Co (Estate Agents) Limited, also a subsidiary undertaking. The company, Silvergrad Limited and Aylesford & Co (Estate Agents) Limited also provide an unlimited guarantee to the bank in respect of the overdraft facility.

**9. Creditors: Amounts falling due after more than one year**

	<u>Group</u>		<u>Company</u>	
	31 March 2014 £	30 September 2012 £	31 March 2014 £	30 September 2012 £
Net obligations under finance leases and hire purchase contracts	<u>21,029</u>	<u>32,424</u>	<u>-</u>	<u>-</u>

**10. Deferred tax asset**

	<u>Group</u>		<u>Company</u>	
	31 March 2014 £	30 September 2012 £	31 March 2014 £	30 September 2012 £
At beginning of year	44,909	(2,694)	52,348	-
Released during the period	55,629	47,603	(6,828)	52,348
At end of period/year	<u>100,538</u>	<u>44,909</u>	<u>45,520</u>	<u>52,348</u>

# Notes to the financial statements

For the period ended 31 March 2014

## 10. Deferred tax asset (continued)

The deferred tax asset is made up as follows:

	<u>Group</u>		<u>Company</u>	
	31 March 2014	30 September 2012	31 March 2014	30 September 2012
	£	£	£	£
Accelerated capital allowances	7,439	8,416	-	-
Short term timing differences	(107,977)	36,493	45,520	52,348
	<u>(100,538)</u>	<u>44,909</u>	<u>45,520</u>	<u>52,348</u>

There is an unprovided deferred tax liability of £348,000 (30 September 2012: £348,000) in respect of the revaluation gain on the freehold land and buildings.

## 11. Share capital

	31 March 2014	30 September 2012
	£	£
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

## 12. Reserves

	Revaluation reserve	Profit and loss account
	£	£
<b>Group</b>		
At 1 October 2012	1,386,251	2,062,872
Profit for the period	-	163,737
At 31 March 2014	<u>1,386,251</u>	<u>2,226,609</u>
<b>Company</b>		
At 1 October 2012		689,081
Loss for the period		(68,658)
At 31 March 2014		<u>620,423</u>

# Notes to the financial statements

For the period ended 31 March 2014

## 13. Pension commitments

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 and amounted to £49,860 (30 September 2012: £38,162).

## 14. Operating lease commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	31 March 2014	30 September 2012	31 March 2014	30 September 2012
Group	£	£	£	£
Expiry date:				
Within 1 year	-	-	-	2,418
Between 2 and 5 years	19,000	19,000	25,793	19,182
After more than 5 years	77,000	77,000	12,348	2,508

## 15. Related party transactions

### Group

During the period the group invoiced Aylesford International SA, a company which is held under common control, for financing transactions of £nil (30 September 2012: £236,815). The amounts due from that company at the period end were £nil (30 September 2012: £nil).

During the period the group invoiced Langton Watzdorf International Limited, a company owned by H Langton, the son of a director of the group, for expenses of £18,886 (30 September 2012: £22,879). The amounts due from that company at the period end were £3,549 (30 September 2012: £1,629).

### Company

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with 100% owned group companies on the grounds that consolidated financial statements are prepared by the company.

During the period management costs of £12,479 (30 September 2012: £11,768) were invoiced by Aylesford International Holdings SA the company's ultimate parent. At the period end amounts of £124,066 (30 September 2012: £111,527) were owed to Aylesford International Holdings SA.

During the period A J Langton issued an option agreement to the company for the delivery of 3,821,659 gilts in five years' time. The premium payable by the company to enter into the contract was £3.5m. The option fee payable by the company to exercise the option in 5 years' time is £1.

## 16. Ultimate parent company and controlling related party

The ultimate parent company is Aylesford International Holdings SA, a company registered in the British Virgin Islands. A Langton is the ultimate controlling party by virtue of his controlling interest in the ultimate parent.