

# **Ferrersmere Estates Limited**

## **Report and Financial Statements**

31 March 2009

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COMPANIES HOUSE

# **Ferrersmere Estates Limited**

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Registered No: 2303538

## **Directors**

W M Griggs  
S W Griggs

## **Secretary**

SLC Registrars Limited

## **Auditors**

Ernst & Young LLP  
City Gate West  
Toll House Hill  
Nottingham  
NG1 5FY

## **Bankers**

HSBC Bank Plc

## **Solicitors**

DLA Piper UK LLP

## **Registered office**

Cobbs Lane  
Wollaston  
Nr Wellingborough  
Northamptonshire  
NN29 7SW

## Directors' report

The directors present their report and financial statements for the year ended 31 March 2009

### Results and dividends

The profit for the year, after taxation, is £112,767 (2008: £130,181). The directors do not recommend the payment of any dividends.

### Principal activities and review of the business

The Company's principal activities during the year continued to be holding of properties for use within the R Griggs Group.

### Directors and their interests

The directors who served the Company during the year were as follows:

W M Griggs  
S W Griggs

There are no directors' interests requiring disclosure under the Companies Act 1985.

### Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

During the year the company had in force an indemnity provision in favour of one or more directors of Ferrersmere Estates Limited against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985.

### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and of the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

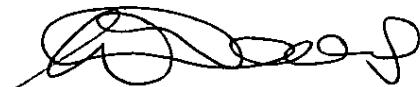
### Re-appointment of auditors

In accordance with s.385 of the Companies Act 1985, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

## Directors' report

The directors' report takes advantage of the reduced disclosure available to small entities, in accordance with the special provisions of Part VII of the Companies Act 1985.

On behalf of the board

A handwritten signature in black ink, appearing to read 'W M Griggs', with a stylized flourish at the end.

W M Griggs  
Director  
27<sup>th</sup> October 2009

## Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report**

### **to the members of Ferrersmere Estates Limited (continued)**

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report

to the members of Ferrersmere Estates Limited (continued)

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

*Ernst & Young LLP*

Ernst & Young LLP

Registered auditor

Nottingham

*30 October 2009*

## Profit and loss account

for the year ended 31 March 2009

	Notes	2009 £	2008 £
<b>Turnover</b>	2	100,000	99,999
Depreciation		18,296	8,000
Other operating (income)/charges		6,039	(994)
<b>Operating profit</b>	3	75,665	92,993
Bank interest receivable		37,102	37,188
<b>Profit on ordinary activities before taxation</b>		112,767	130,181
Tax on profit on ordinary activities	5	—	—
<b>Profit for the financial year</b>	10	112,767	130,181

All of the operations of the Company are considered continuing.


There are no recognised gains or losses other than the profit of £112,767 attributable to the shareholders for the year ended 31 March 2009 (2008: profit of £130,181).



## Balance sheet

at 31 March 2009

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	6	1,235,000	1,563,411
<b>Current assets</b>			
Debtors	7	74,401	37,298
Cash at bank		675,172	581,212
		749,573	618,510
<b>Creditors: amounts falling due within one year</b>	8	25,001	25,001
<b>Net current assets</b>		724,572	593,509
<b>Total assets less current liabilities</b>		1,959,572	2,156,920
<b>Capital and reserves</b>			
Called up share capital	9	2	2
Revaluation reserve	10	532,329	852,744
Profit and loss account	10	1,427,241	1,304,174
<b>Shareholders' funds</b>	10	1,959,572	2,156,920



W M Griggs  
Director  
27<sup>th</sup> October 2009

## Notes to the financial statements

at 31 March 2009

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards, modified to include the revaluation of land and buildings.

#### *Cash flow statement*

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes consolidated financial statements.

#### *Related party transactions*

The Company is a wholly owned subsidiary of R Griggs Group Limited, the consolidated accounts of which are publicly available. Accordingly, the Company has taken advantage of the exemption in Financial Reporting Standard 8 from disclosing transactions with members or investees of the R Griggs Group.

#### *Fixed assets*

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Finance costs incurred as a consequence of obtaining tangible fixed assets are not capitalised.

#### *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold property - 2% straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

#### *Revenue Recognition*

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for providing property for rental. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

## Notes to the financial statements

at 31 March 2009

### 1. Accounting policies (continued)

#### *Deferred taxation* (continued)

- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. Turnover

Turnover is the total amount receivable by the Company for services provided net of value added tax and trade discounts.

Turnover is attributable to one continuing UK activity, the holding of properties for use within the R Griggs Group.

	2009 £	2008 £
Rent receivable	<u>100,000</u>	<u>99,999</u>

### 3. Operating profit

This is stated after charging:

	2009 £	2008 £
Depreciation of owned assets	<u>18,296</u>	<u>8,000</u>

Auditors' remuneration is borne by other group undertakings.

### 4. Staff costs and directors emoluments

No salaries or wages have been paid to employees during the year.

The monthly average number of employees during the year was as follows:

	2009 No.	2008 No.
Directors	<u>2</u>	<u>2</u>

Directors' emoluments have been borne by other group companies. The directors of the Company are also directors or officers of a number of the companies within the R Griggs Group. The directors' services to the Company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the Company for the years ended 31 March 2009 and 31 March 2008.

## Notes to the financial statements

at 31 March 2009

### 5. Tax

#### (a) Tax on profit on ordinary activities

The tax charge is made up as follows:

*Current tax:*

	2009 £	2008 £
UK Corporation tax	-	-
Total current tax (note 6(b))	-	-

#### (b) Factors affecting the current tax charge

The differences are reconciled below:

	£	£
Profit on ordinary activities before tax	112,767	130,181
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 30%)	31,574	39,054
Expenses / (income) not deductible / (taxable) for taxation purposes	(4,226)	(6,860)
Capital allowances in excess of depreciation	2,228	-
Utilisation of tax losses brought forward	(29,576)	(32,194)
Total current tax (note 6(a))	-	-

#### (c) Deferred tax

The deferred taxation asset not recognised in the financial statements is as follows:

	2009 £	2008 £
Depreciation in advance of capital allowances	(2,626)	(4,377)
Tax losses available	(2,577,488)	(2,605,692)
	(2,580,114)	(2,610,069)

The current and total effective tax rates for 2009 and 2008 are lower than standard primarily because of the ability to utilise previously unrecognised tax losses brought forward. Given the uncertainty over future utilisation over timing differences and losses (eg profits may arise in entities that cannot offset the losses), no deferred tax assets have been recognised in respect of them. As and when these timing differences and losses are utilised, this will affect the current and total tax charges.

## Notes to the financial statements

at 31 March 2009

### 6. Tangible fixed assets

	<i>Freehold land and buildings £</i>
Valuation:	
At 1 April 2008	1,600,000
Deficit on revaluation	(365,000)
At 31 March 2009	<u>1,235,000</u>
Depreciation:	
At 1 April 2008	36,589
Provided in the year	18,296
Impairment Loss	(54,885)
At 31 March 2009	<u>-</u>
Net book value:	
At 31 March 2009	<u>1,235,000</u>
At 31 March 2008	<u>1,563,411</u>

Freehold land and buildings were revalued 7 April 2009 by King West Chartered Surveyors. The basis of valuation used was open market value with vacant possession in existing condition.

If land and buildings had not been revalued, they would have been included on the historical basis at the following amounts:

	£
Cost	750,000
Accumulated depreciation	47,337
Net book value:	
At 31 March 2009	<u>702,663</u>
At 31 March 2008	<u>718,663</u>

### 7. Debtors

	2009 £	2008 £
Amounts owed by group undertakings	74,290	37,187
Other debtors	111	111
	<u>74,401</u>	<u>37,298</u>

## Notes to the financial statements

at 31 March 2009

### 8. Creditors: amounts falling due within one year

	2009 £	2008 £
Accruals and deferred income	25,001	25,001
	<u>25,001</u>	<u>25,001</u>

### 9. Share capital

	2009 £	Authorised 2008 £
Ordinary shares of £1 each	500,000	500,000

	Allotted, called up and fully paid			
	No.	2009 £	No.	2008 £
Ordinary shares of £1 each	2	<u>2</u>	2	<u>2</u>

### 10. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Revaluation reserve £	Profit and loss account £	Total share- holders' funds £
At 1 April 2008	2	852,744	1,304,174	2,156,920
Profit for the year	—	—	112,767	112,767
Transfer of depreciation on revalued fixed assets	—	(10,300)	10,300	—
Deficit on revaluation of fixed assets	—	(310,115)	—	(310,115)
At 31 March 2009	<u>2</u>	<u>532,329</u>	<u>1,427,241</u>	<u>1,959,572</u>

### 11. Contingent liability

The Company, together with other group undertakings, is party to unlimited multilateral guarantees given in respect of the bank loans and overdrafts of participating companies. As at 31 March 2009 the total cost of the loans and overdrafts guaranteed by the Company under this agreement amounted to £14,950,324 (2008: £16,189,947).

### 12. Ultimate parent company

Ferrersmere Estates Limited is wholly owned by R Griggs Group Limited and is the only group of which the Company is a member and for which group financial statements are prepared.

Copies of the ultimate parent company's consolidated financial statements may be obtained from Cobbs Lane, Wollaston, Northants, NN29 7SW.