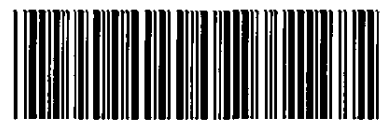


Ferrersmere Estates Limited

Report and Financial Statements

31 March 2010

MONDAY



AVJ52M7O

A16

02/08/2010

160

COMPANIES HOUSE

Ferrersmere Estates Limited

Registered No 2303538

Directors

W M Griggs
S W Griggs

Secretary

SLC Registrars Limited
Thames House
Portsmouth Road
Esher
KT10 9AD

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Bankers

HSBC Bank Plc
Avebury Boulevard
Milton Keynes
MK9 2GA

Solicitors

DLA Piper UK LLP
1 St Paul's Place
Sheffield
S1 2JX

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 2010

Results and dividends

The profit for the year, after taxation, is £249,057 (2009 £112,767) 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 and subsequently were as follows

W M Griggs
S W Griggs

There are no directors' interests requiring disclosure under the Companies Act 2006

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 2006 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 2006

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 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company

The directors' report takes advantage of the reduced disclosure available to small entities, in accordance with the special provisions of s 417 of the Companies Act 2006

On behalf of the board



W M Griggs
Director
26th July 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 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

We have audited the financial statements of Ferrersmere Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 12. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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

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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its 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 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 auditors' report **to the members of Ferrersmere Estates Limited**

(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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 and the directors' report in accordance with the small companies regime

Ernst & Young LLP

Andy Glover (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
Date

28 July 2010

Profit and loss account

for the year ended 31 March 2010

	Notes	2010 £	2009 £
Turnover	2	100,000	100,000
Depreciation		15,104	18,296
Other operating charges		1,000	6,039
Operating profit	3	83,896	75,665
Bank interest receivable		25,161	37,102
Profit on ordinary activities before taxation		109,057	112,767
Tax on profit on ordinary activities	5	140,000	—
Profit for the financial year	10	249,057	112,767

All of the operations of the Company are considered continuing

There are no recognised gains or losses other than the profit of £249,057 attributable to the shareholders for the year ended 31 March 2010 (2009 profit of £112,767)

Ferrersmere Estates Limited

Registered No 2303538

Balance sheet at 31 March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	6	1,219,896	1,235,000
Current assets			
Debtors	7	165,422	74,401
Cash at bank		848,312	675,172
		1,013,734	749,573
Creditors amounts falling due within one year	8	25,001	25,001
Net current assets		988,733	724,572
Total assets less current liabilities		2,208,629	1,959,572
Capital and reserves			
Called up share capital	9	2	2
Revaluation reserve	10	525,225	532,329
Profit and loss account	10	1,683,402	1,427,241
Shareholders' funds	10	2,068,629	1,959,572



W M Griggs
Director
26th July 2010

Notes to the financial statements

at 31 March 2010

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 2010

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

	2010 £	2009 £
Rent receivable	<u>100,000</u>	<u>100,000</u>

3. Operating profit

This is stated after charging

	2010 £	2009 £
Depreciation of owned assets	<u>15,104</u>	<u>18,296</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

	2010 No	2009 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 2010 and 31 March 2009.

Notes to the financial statements

at 31 March 2010

5. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

Current tax

	2010 £	2009 £
UK Corporation tax	—	—
Total current tax (note 5(b))	—	—
Deferred tax Origination and reversal of timing differences (note 5(c))	140,000	—
Tax on ordinary activities	140,000	—

(b) Factors affecting the current tax charge

The differences are reconciled below

	£	£
Profit on ordinary activities before tax	109,057	112,767
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	30,536	31,574
Non taxable income	(82)	(4,226)
Capital allowances in excess of depreciation	(525)	2,228
Utilisation of tax losses brought forward	(29,929)	(29,576)
Total current tax (note 5(a))	—	—

(c) Deferred tax

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

	2010 £	2009 £
Depreciation in advance of capital allowances	(2,101)	(2,626)
Tax losses available – not recognised	(2,507,561)	(2,577,488)
Tax losses available – recognised	(140,000)	—
	(2,549,662)	(2,580,114)

The current and total effective tax rates for 2010 and 2009 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 2010

5. Tax (continued)

(d) Factors affecting the future tax charges

Deferred tax has been calculated at the rate expected to apply at the time at which timing differences are forecast to reverse, based on tax rates which have been substantively enacted at the balance sheet date. It should be noted that the Government announced on 22 June 2010 that it intends to introduce legislation to reduce the mainstream rate of UK Corporation tax from 28% to 24% over a period of 4 years, beginning in April 2011. These changes were not substantively enacted prior to year end, therefore the calculation of deferred tax balances do not reflect the potential impact of these proposed rate reductions. The effect on the Company of these proposed changes will be reflected in the Company's financial statements in future years, as appropriate, once the proposals have been substantively enacted.

6. Tangible fixed assets

	<i>Freehold land and buildings £</i>
Valuation	
At 1 April 2009 and 31 March 2010	<u>1,235,000</u>
Depreciation	
At 1 April 2009	-
Provided in the year	<u>15,104</u>
At 31 March 2010	<u>15,104</u>
Net book value	
At 31 March 2010	<u>1,219,896</u>
At 31 March 2009	<u>1,235,000</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:

	<i>£</i>
Cost	750,000
Accumulated depreciation	<u>55,337</u>
Net book value	
At 31 March 2010	<u>694,663</u>
At 31 March 2009	<u>702,663</u>

Notes to the financial statements

at 31 March 2010

7. Debtors

	2010 £	2009 £
Amounts owed by group undertakings	25,311	74,290
Other debtors	140,111	111
	<u>165,422</u>	<u>74,401</u>

8. Creditors: amounts falling due within one year

	2010 £	2009 £
Accruals and deferred income	25,001	25,001
	<u>25,001</u>	<u>25,001</u>

9. Share capital

	<i>Allotted, called up and fully paid</i>			
	No	2010 £	No	2009 £
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 2009	2	532,329	1,427,241	1,959,572
Profit for the year	—	—	249,057	249,057
Transfer of depreciation on revalued fixed assets	—	(7,104)	7,104	—
At 31 March 2010	<u>2</u>	<u>525,225</u>	<u>1,683,402</u>	<u>2,208,629</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 2010 the total cost of the loans and overdrafts guaranteed by the Company under this agreement amounted to £11,233,433 (2009 £14,950,324)

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