

# Financial statements Goadsby & Harding (Holdings) Limited

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**For the Year Ended 30 June 2010**

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**Company No. 2446167**

## Company information

<b>Company registration number</b>	2446167
<b>Registered office</b>	99 Holdenhurst Road Bournemouth Dorset BH8 8DY
<b>Directors</b>	R D N Craven D Errington N Price D N Huck
<b>Secretary</b>	D Errington
<b>Website</b>	<a href="http://www.goadsby.com">www.goadsby.com</a>
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants Statutory Auditor No 1 Dorset Street Southampton Hampshire SO15 2DP

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## Report of the directors

The directors present their report and the financial statements of the company for the year ended 30 June 2010

### **Principal activities and business review**

The principal activity of the company was acting as a holding company for its trading subsidiaries and providing management services

There was a profit for the year after taxation amounting to £121,913 (2009 a loss of £101,639)

### **Going concern**

The directors have made an assessment in preparing these financial statements as to whether the company is a going concern and have concluded that there are no material uncertainties that may cast doubt on the company's ability to continue as a going concern

### **Results and dividends**

The profit for the year, after taxation, amounted to £121,913 Particulars of dividends paid are detailed in note 8 to the financial statements

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements The company has continued to recharge its operating costs to its subsidiary companies on a consistent basis with previous years In addition, a dividend of £120,000 was received from one of the company's operating subsidiaries

### **Financial risk management objectives and policies**

The company uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations The main purpose of these financial instruments is to raise finance for the company's operations The main risks arising from the company financial instruments are interest rate risk and liquidity risk The directors review and agree policies for managing each of these risks and they are summarised below The policies have remained unchanged from previous periods

#### **Interest rate risk**

The company finances its operations through a mixture of retained profits, bank borrowings, inter-company accounts and finance leases The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities

#### **Liquidity risk**

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably Primarily this is achieved through inter-company accounts or through loans arranged at group level Short term flexibility is achieved by overdraft facilities

## **Directors**

The directors who served the company during the year were as follows

R D N Craven  
D Errington  
N Price  
D N Huck

## **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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 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 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.

In so far as the directors are 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.

## **Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD



D Errington  
Secretary

12 October 2010



## Independent auditor's report to the members of Goadsby & Harding (Holdings) Limited

We have audited the financial statements of Goadsby & Harding (Holdings) Limited for the year ended 30 June 2010 which comprise the accounting policies, profit and loss account, balance sheet 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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**

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

### **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 30 June 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 report of the directors 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 Goadsby & Harding (Holdings) 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

*Grant Thornton UK LLP*

Stephen Mills  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Southampton

*12* October 2010

## Accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention

### **Consolidation**

The company was, at the end of the year, a wholly-owned subsidiary of another company incorporated in the EEA and in accordance with Section 400 of the Companies Act 2006, is not required to produce, and has not published, consolidated accounts

### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement on the grounds that a consolidated cash flow statement has been included in the group accounts

### **Turnover**

Turnover comprises of management charges receivable and rental income

### **Fixed assets**

All fixed assets are initially recorded at cost

### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Freehold Property	-	2% straight line
Fixtures & Fittings	-	10 - 20% straight line
Motor Vehicles	-	25% reducing balance

Freehold land is not depreciated

### **Investments**

Investments in subsidiaries are included at cost

### **Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis



### **Finance lease agreements**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

### **Pension costs**

Defined contribution schemes

The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

### **Provision for losses of subsidiaries**

Provision is made for the accumulated losses of subsidiaries where it is considered unlikely that those losses will be recovered through normal trading.

### **Deferred taxation**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using current rates of tax.

### **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.

## Profit and loss account

	Note	2010 £	2009 £
Turnover	1	1,189,723	1,114,632
Staff costs	2	526,557	524,221
Depreciation written off fixed assets	3	65,901	55,370
Other operating charges		591,076	641,660
<b>Operating profit/(loss)</b>	3	<b>6,189</b>	<b>(106,619)</b>
Income from shares in group undertakings	5	120,000	—
Interest receivable		14,521	58,270
Interest payable and similar charges	6	(11,911)	(78,241)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>128,799</b>	<b>(126,590)</b>
Tax on profit/(loss) on ordinary activities	7	6,886	(24,951)
<b>Profit/(loss) for the financial year</b>	24	<b>121,913</b>	<b>(101,639)</b>

All of the activities of the company are classed as continuing

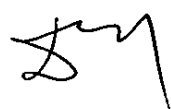
The company has no recognised gains or losses other than the results for the year as set out above

**The accompanying accounting policies and notes form part of these financial statements.**

## Balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	9	842,569	815,891
Investments	10	3,741,569	3,741,569
		<u>4,584,138</u>	<u>4,557,460</u>
<b>Current assets</b>			
Debtors	11	3,541,427	3,718,332
<b>Creditors, amounts falling due within one year</b>	12	5,462,983	5,569,461
<b>Net current liabilities</b>		<u>(1,921,556)</u>	<u>(1,851,129)</u>
<b>Total assets less current liabilities</b>		<u>2,662,582</u>	<u>2,706,331</u>
<b>Creditors' amounts falling due after more than one year</b>	13	1,966,192	2,011,854
		<u>696,390</u>	<u>694,477</u>
<b>Capital and reserves</b>			
Called-up equity share capital	21	173,667	173,667
Share premium account	22	392,878	392,878
Other reserves	23	101,363	101,363
Profit and loss account	24	28,482	26,569
<b>Shareholders' funds</b>	25	<u>696,390</u>	<u>694,477</u>

These financial statements were approved by the directors and authorised for issue on **12** October 2010, and are signed on their behalf by



D Errington  
Director



N Price  
Director

Company Registration Number 2446167

**The accompanying accounting policies and notes form part of these financial statements.**

## Notes to the financial statements

### **1 Turnover**

The turnover and profit before tax are attributable to the one principal activity of the company  
 An analysis of turnover is given below

	2010 £	2009 £
United Kingdom	<u>1,189,723</u>	<u>1,114,632</u>

### **2 Directors and employees**

The average number of persons employed by the company during the financial year, including the directors, amounted to 25 (2009 - 26)

The aggregate payroll costs of the above were

	2010 £	2009 £
Wages and salaries	447,128	460,818
Social security costs	47,763	44,990
Other pension costs	31,666	18,413
	<u>526,557</u>	<u>524,221</u>

### **3 Operating profit/(loss)**

Operating profit/(loss) is stated after charging

	2010 £	2009 £
Depreciation of owned fixed assets	56,490	49,924
Depreciation of assets held under hire purchase agreements	9,040	4,604
Loss on disposal of fixed assets	371	842
Auditor's remuneration		
Audit fees	3,500	3,300
Operating lease costs		
- Other	<u>54,304</u>	<u>39,441</u>

**4 Directors**

Remuneration in respect of directors was as follows

	2010 £	2009 £
Remuneration receivable	166,946	102,842
Value of company pension contributions to money purchase schemes	31,666	18,413
	<u>198,612</u>	<u>121,255</u>

The number of directors who accrued benefits under company pension schemes was as follows

	2010 No	2009 No
Money purchase schemes	<u>1</u>	<u>1</u>

**5 Income from shares in group undertakings**

	2010 £	2009 £
Income from group undertakings	<u>120,000</u>	<u>—</u>

**6 Interest payable and similar charges**

	2010 £	2009 £
Interest payable on bank borrowing	11,870	76,745
Finance charges payable under hire purchase agreements	41	1,496
	<u>11,911</u>	<u>78,241</u>

**7 Taxation on ordinary activities**

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 21% (2009 - 21%)	10,500	9,000
Over/(under) provision in prior year	286	(742)
	<u>10,786</u>	<u>8,258</u>
Receipt for group losses	(3,900)	(30,000)
Total current tax	6,886	(21,742)
Deferred tax		
Origination and reversal of timing differences	-	(3,209)
Tax on profit/(loss) on ordinary activities	<u>6,886</u>	<u>(24,951)</u>

(b) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 21% (2009 - 21%)

	2010 £	2009 £
Profit/(loss) on ordinary activities before taxation	<u>128,799</u>	<u>(126,590)</u>
Profit/(loss) on ordinary activities by rate of tax	27,053	(26,584)
Expenses not deductible for tax purposes	6,182	5,812
Capital allowances for period less than depreciation	2,363	5,111
Over provision in prior year	286	(742)
Payment for group loss relief	(959)	(7,491)
Group dividends received not taxable	(25,200)	-
Short term timing differences	(2,839)	2,152
Total current tax (note 7(a))	<u>6,886</u>	<u>(21,742)</u>

**8 Dividends**

**Dividends on shares classed as equity**

	2010 £	2009 £
Paid during the year		
Equity dividends on ordinary shares	<u>120,000</u>	<u>-</u>

**9 Tangible fixed assets**

	Freehold Property £	Fixtures & Fittings £	Motor Vehicles £	Total £
Cost				
At 1 July 2009	745,031	352,467	40,055	1,137,553
Additions	–	47,767	48,387	96,154
Disposals	–	(25,239)	(38,655)	(63,894)
At 30 June 2010	<u>745,031</u>	<u>374,995</u>	<u>49,787</u>	<u>1,169,813</u>
Depreciation				
At 1 July 2009	6,997	279,606	35,059	321,662
Charge for the year	6,997	46,174	12,359	65,530
On disposals	–	(25,239)	(34,709)	(59,948)
At 30 June 2010	<u>13,994</u>	<u>300,541</u>	<u>12,709</u>	<u>327,244</u>
Net book value				
At 30 June 2010	<u>731,037</u>	<u>74,454</u>	<u>37,078</u>	<u>842,569</u>
At 30 June 2009	<u>738,034</u>	<u>72,861</u>	<u>4,996</u>	<u>815,891</u>

Included within the net book value of £842,569 is £27,121 (2009 - £32,230) relating to assets held under hire purchase agreements within the group. The depreciation charged to the financial statements in the year in respect of such assets amounted to £9,040 (2009 - £4,604). The related hire purchase agreement liability is held within a subsidiary company.

**10 Investments**

**Investments**

	£
Cost	
At 1 July 2009 and 30 June 2010	<u>3,741,569</u>
Net book value	
At 30 June 2010 and 30 June 2009	<u>3,741,569</u>

**10 Investments (continued)**

At 30 June 2010, the company's investments were as follows

	Company registration number	Class of share capital	Proportion held	Nature of business
Goadsby & Harding (Residential) Limited	1871280	Ordinary	100%	Estate agents, surveyors & valuers
Goadsby & Harding (Commercial) Limited	4150232	Ordinary	100%	Estate agents, surveyors & valuers
Goadsby & Harding (Survey & Valuation) Limited	2926146	Ordinary	100%	Valuers and related services
St Manor Limited	4774941	Ordinary	100%	Financial services
Goadsby & Harding Limited	4165668	Ordinary	100%	Dormant

**11 Debtors**

	2010 £	2009 £
Trade debtors	14,754	1,250
Amounts owed by group undertakings	3,456,071	3,636,433
Other debtors	8,366	8,052
Prepayments and accrued income	62,236	72,597
	<u>3,541,427</u>	<u>3,718,332</u>

**12 Creditors: amounts falling due within one year**

	2010 £	2009 £
Bank loans	45,687	66,706
Bank overdraft	403,564	473,202
Trade creditors	77,708	97,852
Amounts owed to group undertakings	4,728,371	4,718,684
Corporation tax	10,500	35,215
Other taxation and social security	11,508	26,172
Amounts due under hire purchase agreements	–	4,271
Other creditors	21,789	17,309
Accruals and deferred income	163,856	130,050
	<u>5,462,983</u>	<u>5,569,461</u>

Included in other creditors are outstanding pension contributions of £18,000 (2009 - £13,520)



**13 Creditors: amounts falling due after more than one year**

	2010	2009
	£	£
Bank loans	345,948	391,610
Amounts owed to group undertakings	1,620,244	1,620,244
	<u>1,966,192</u>	<u>2,011,854</u>

**14 Creditors - borrowings**

Borrowings, excluding finance leases, are repayable as follows

	2010	2009
	£	£
Amounts repayable		
In one year or less or on demand	449,251	539,908
In more than one year but not more than two years	46,468	45,662
In more than two years but not more than five years	144,380	141,877
In more than five years	155,100	204,071
	<u>795,199</u>	<u>931,518</u>

The bank facilities are secured by fixed and floating charges over the assets of the company and by unlimited cross-guarantees between the company and certain of its fellow group undertakings

The freehold property loan taken out in 2007 is repayable by monthly instalments over 15 years and interest is charged at 1.25% above base rate

**15 Commitments under hire purchase agreements**

Future commitments under hire purchase agreements net of future finance lease charges are as follows

	2010	2009
	£	£
Amounts payable within 1 year	-	4,271
	<u>-</u>	<u>4,271</u>

**16 Commitments under operating leases**

At 30 June 2010 the company had annual commitments under non-cancellable operating leases as set out below

	<b>Land and buildings</b>	
	2010	2009
	£	£
Operating leases which expire		
Within 1 year	35,902	8,000
Within 2 to 5 years	-	27,902
	<u>35,902</u>	<u>35,902</u>

**17 Capital commitments**

The company had no capital commitments at 30 June 2010 or 30 June 2009

**18 Contingencies**

Bank facilities of the company and certain of its subsidiaries are secured by fixed and floating charges over the assets of the company and guarantees between the company and certain other group companies

The bank has first legal charge over the freehold property in Winchester

There were no other contingent liabilities at 30 June 2010 and 30 June 2009

**19 Pension commitments**

The company operates a number of defined contribution pension schemes designed to provide retirement benefits for its directors and employees. The assets of the schemes are held separately from those of the company in independently administered funds

**20 Related party transactions**

As a wholly owned subsidiary of St Gresham Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other wholly owned members of the group headed by St Gresham Limited

During the year the company paid rent of £27,902 (2009 - £36,569) to St Peters Limited, a company in which D Errington and D N Huck are directors. At the year end the company owed £13,891 (2009 - £12,996) in respect of this rent. These transactions were at arms length and in the normal course of business

**21 Share capital**

Authorised share capital

	2010	2009
	£	£
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
173,667 Ordinary shares of £1 each	<u>173,667</u>	<u>173,667</u>	<u>173,667</u>	<u>173,667</u>

**22 Share premium account**

There was no movement on the share premium account during the financial year

**23 Other reserves**

	2010	2009
	£	£
Capital redemption reserve	<u>101,363</u>	<u>101,363</u>

**24 Profit and loss account**

	2010	2009
	£	£
Balance brought forward	26,569	128,208
Profit/(loss) for the financial year	121,913	(101,639)
Equity dividends	(120,000)	—
Balance carried forward	<u>28,482</u>	<u>26,569</u>

**25 Reconciliation of movements in shareholders' funds**

	2010	2009
	£	£
Profit/(Loss) for the financial year	121,913	(101,639)
Equity dividends	(120,000)	—
Net addition/(reduction) to shareholders' funds	<u>1,913</u>	<u>(101,639)</u>
Opening shareholders' funds	694,477	796,116
Closing shareholders' funds	<u>696,390</u>	<u>694,477</u>

**26 Ultimate parent company**

The company is a wholly owned subsidiary of St Gresham Limited

Consolidated accounts for St Gresham Limited incorporating the results of Goadsby & Harding (Holdings) Limited are available from the registered office