

Geoffrey Faber Property Limited

**Directors' report and financial
statements**

Registered number 2490331

31 March 2010

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Directors' report – Geoffrey Faber Property Limited (registered number 2490331)

The directors present their annual report and the audited financial statements for the year ended 31 March 2010

Principal activities

The Company is a property company

Results for the year

The results for the year are set out on page 5. During the year a dividend of £75,000 (2009 £300,000) was paid. The directors are not aware of any reason why the accounts should not continue to be prepared on a going concern basis.

Sale of 16 Burnt Mill

The sale of 16 Burnt Mill to Geoffrey Faber Holdings Limited was completed on 30 March 2010. The property was sold for £1,360,000. Faber and Faber Limited and Faber Music Limited remain tenants of the property.

Business review

The Company is exempt by virtue of its size from the requirement to prepare an enhanced business review.

Directors

The directors who held office during the year and to the date of signature of this report were as follows:

DG Tebbutt (Secretary)
NW Smith
WGI de la Mare
TW Faber (Chairman)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the board


D Tebbutt
Director

Bloomsbury House
74-77 Great Russell Street
London
WC1B 3DA

23 December 2010

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



15 Canada Square
London E14 5GL
United Kingdom

Independent auditors' report to the members of Geoffrey Faber Property Limited

We have audited the financial statements of Geoffrey Faber Property Limited for the year ended 31 March 2010, set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 2, 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 web-site at 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 31 March 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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 Geoffrey Faber Property 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

T.J. Rush

T.J. Rush (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

KPMG LLP
Chartered Accountants

31 December 2010

Profit and loss account
for the year ended 31 March 2010

	<i>Note</i>	Continuing Operations 2010 £	Discontinued Operations 2010 £	Total 2010 £	Continuing Operations 2009 £	Discontinued Operations 2009 £	Total 2009 £
Turnover	1	-	150,508	150,508	-	211,390	211,390
Administrative expenses		(11,484)	(99,556)	(111,040)	(15,134)	(78,842)	(93,976)
Operating profit/(loss)		(11,484)	50,952	39,468	(15,134)	132,548	117,414
Profit on disposal of fixed assets		-	808,934	808,934	-	1,900	1,900
Profit/(loss) on ordinary activities before interest		(11,484)	859,886	848,402	(15,134)	134,448	119,314
Interest receivable and similar income	5			-			73,299
Profit on ordinary activities before taxation	2			848,402			192,613
Tax on profit on ordinary activities	6			130,097			(84,346)
Retained profit for the year	13			978,499			108,267

The discontinued operations relate to the sale of 16 Burnt Mill to Geoffrey Faber Holdings Limited and the consequent cessation of rental income for future periods

Balance sheet
at 31 March 2010

	Note	£	2010 £	£	2009 £
Fixed assets					
Tangible fixed assets	8		-		1,360,000
			-		1,360,000
Current assets					
Debtors	9	7,359,161		3,895,074	
Cash at bank and in hand		-		2,141,647	
		7,359,161		6,036,721	
Creditors amounts falling due within one year	10	(43,104)		(98,496)	
Net current assets			7,316,057		5,938,225
Total assets less current liabilities			7,316,057		7,298,225
Provisions for liabilities and charges	11		-		(161,733)
Net assets			7,316,057		7,136,492
Capital and reserves					
Called up share capital	12		2		2
Revaluation reserve	13		-		723,934
Profit and loss account	13		7,316,055		6,412,556
Shareholders' funds	14		7,316,057		7,136,492

The notes on pages 8 to 13 form part of these financial statements

These financial statements were approved by the board of directors on 23 December 2010 and were signed on its behalf by

T. W. Faber

TW Faber
Director

Statement of total recognised gains and losses
for the year ended 31 March 2010

	2010 £	2009 £
Profit for the financial year	978,499	108,267
Unrealised deficit on revaluation of properties	-	(611,875)
Total recognised gain/(loss) relating to the year	978,499	(503,608)

Note of historical cost profits and losses
for the year ended 31 March 2010

	2010 £	2009 £
Reported profit on ordinary activities before taxation	848,402	192,613
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amount	-	62,065
Historical cost profit on ordinary activities before taxation	848,402	254,678
Historical cost retained profit for the year after taxation	978,499	170,332

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been adopted consistently in dealing with items which are considered material in relation to these financial statements

Basis of preparation

The financial statements have been prepared under the historical cost accounting rules, modified to include the revaluation of investment properties, and in accordance with applicable accounting standards

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size

The financial statements have been prepared on a going concern basis. The Company is profitable and in a net asset position, and accordingly the Directors believe that the Company will be in a position to meet its liabilities as they fall due for a minimum of the next twelve months

Investment properties

In accordance with Statement of Standard Accounting Practice No 19

- investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and
- no depreciation or amortisation is provided in respect of freehold investment properties

This treatment, as regards certain of the Company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified

Fixed assets and depreciation

Fixed assets are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve

Depreciation is provided to write off the cost or valuation, less the estimated residual value of tangible fixed assets, over their estimated useful economic lives of 16 years

Turnover and leases

Turnover represents rent receivable from the parent company and fellow associated company under operating leases and is accounted for on an accruals basis and net of value added tax

Notes (continued)

1 Accounting policies (continued)

Taxation

The charge for taxation is based on the profit/(loss) for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

2 Profit on ordinary activities before taxation

	2010 £	2009 £
<i>The operating profit is stated after charging/(crediting)</i>		
Depreciation	85,000	78,125
Profit on disposal of fixed assets	(808,934)	(1,900)
	<u> </u>	<u> </u>
<i>Auditors' remuneration</i>		
Audit of these financial statements	4,000	5,636
Amounts receivable by auditors and their associates in respect of Other services relating to taxation	4,113	9,095
	<u> </u>	<u> </u>
	<u>8,283</u>	<u>14,731</u>

Notes (continued)

3 Remuneration of directors

No directors received any emoluments during the year (2009 £nil)

4 Staff numbers and costs

The company did not have any employees during the year (2009 nil) There were no employees' costs in the year (2009 £nil)

5 Interest receivable and similar income

	2010 £	2009 £
Other interest receivable	-	73,299
	<u>-</u>	<u>73,299</u>

6 Tax on profit on ordinary activities

	2010 £	2009 £
Total current tax	31,636	21,390
Deferred tax - timing differences	(161,733)	62,956
	<u>(130,097)</u>	<u>84,346</u>

The current tax charge for the period is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	848,402	192,613
Current tax at 28%	237,553	53,932
Expenses not deductible for tax purposes	-	1,260
Profit on disposal of property	(226,502)	-
Depreciation on ineligible assets	23,800	12,609
Effect of capital allowances for period in excess of depreciation	-	(1,533)
Prior year tax adjustments	(1,019)	(44,729)
Small companies rate marginal relief	(2,196)	(149)
	<u>31,636</u>	<u>21,390</u>

In accordance with FRS19, no provision has been made for deferred tax on gains recognised on revaluing property to its market value At present, it is not envisaged that any tax will become payable in the foreseeable future

Notes (continued)

7 Dividends

	2010 £	2009 £
Final equity dividend	75,000	300,000
Ordinary shares at £37,500 (2008 £150,000) per share	75,000	300,000

8 Fixed assets

	Short Leasehold land and buildings £
Valuation	
At beginning of year	1,360,000
Disposals	(1,360,000)
At end of year	-
Depreciation	
At beginning of year	-
Depreciation in year	85,000
Disposals	(85,000)
At end of year	-
Net book value	
At 31 March 2010	-
At 31 March 2009	1,360,000

	2010 £	2009 £
Historic cost and net book value of revalued land	-	450,519
Historic cost of revalued building	-	550,635
Aggregate depreciation thereon	-	(309,732)
Historic net book value of revalued building	-	240,903

Notes (continued)

9 Debtors

	2010 £	2009 £
Debtors receivable	18,815	100,355
Loan to parent undertaking	1,360,000	-
Other amounts owed by parent undertaking	5,980,346	3,794,719
	<u>7,359,161</u>	<u>3,895,074</u>

10 Creditors' amounts falling due within one year

	2010 £	2009 £
Other creditors	800	1,870
Corporation tax	32,654	68,826
Accruals and deferred income	9,650	27,800
	<u>43,104</u>	<u>98,496</u>

11 Provisions for liabilities and charges

Provisions for liabilities and charges represent deferred tax in respect of differences between accumulated depreciation and capital allowances

	Deferred tax £
At beginning of year	161,733
Amounts released	(161,733)
	<u>-</u>
At end of year	<u>-</u>

12 Called up share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid</i>		
Equity 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Notes (continued)

13 Reserves

	Revaluation reserve £	Profit and loss account £	Total £
At beginning of year	723,934	6,412,556	7,136,490
Retained profit for the year	-	978,499	978,499
Surplus realised on disposal of property	(723,934)	-	(723,934)
Dividends on equity shares	-	(75,000)	(75,000)
At end of year	-	7,316,055	7,316,055

An element of the profit and loss account (total value £723,934) is not distributable

14 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
Profit for the financial year	978,499	108,267
Final dividends	(75,000)	(300,000)
Deficit on revaluation	-	(611,875)
Surplus realised on disposal of property	(723,934)	-
	179,565	(803,608)
Opening equity shareholders' funds	7,136,492	7,940,100
Closing equity shareholders' funds	7,316,057	7,136,492

15 Related party transactions

During the year the company invoiced £1,189 (2009 £91,097) in respect of rent and service charge receivable from Faber and Faber Limited and £149,319 (2009 £131,427) of rent receivable from Faber Music Limited (both fellow group undertakings). As at 31 March 2010, £Nil (2009 Nil) was due from Faber and Faber Limited and £Nil (2009 Nil) was due from Faber Music Limited in respect of the rents receivable for the year.

The 16 Burnt Mill property was sold to Geoffrey Faber Holdings Limited for £1,360,000 on 30 March 2010. The consideration for the sale was a loan to Geoffrey Faber Holdings Limited which remained outstanding at 31 March 2010.

16 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Geoffrey Faber Holdings Limited which is the ultimate parent company incorporated in England and Wales. No group financial statements include the results of the Company. The registered office of the Company is Bloomsbury House, 74-77 Great Russell Street, London, WC1B 3DA.