

Company Registration No. 2519883 (England and Wales)

**WENTA SERVICES (POTTERS BAR) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2006**



# WENTA SERVICES (POTTERS BAR) LIMITED

## COMPANY INFORMATION

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**Directors** C C Pichon (Chief Executive)  
S Arbon  
R Rudman  
K A England

**Secretary** C C Pichon (Chief Executive)

**Company number** 2519883

**Registered office** Iveco House  
Station Road  
Watford  
Hertfordshire  
WD17 1DL

**Auditors** Myers Clark  
Iveco House  
Station Road  
Watford  
Hertfordshire  
WD17 1DL

**Bankers** National Westminster Bank Plc  
PO Box 237, 72/74 High Street  
Watford  
Herts  
WD18 2BQ

**Solicitors** Matthew Arnold & Baldwin  
21 Station Road  
Watford  
Herts  
WD17 1JH

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# WENTA SERVICES (POTTERS BAR) LIMITED

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# WENTA SERVICES (POTTERS BAR) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2006**

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The directors present their report and financial statements for the year ended 31 March 2006.

### Principal activities

The principal activity of the company continued to be the ownership and management of commercial property.

### Directors

The following directors have held office since 1 April 2005:

C C Pichon (Chief Executive)

S Arbon

C Lansdown (Resigned 25 February 2006)

R Rudman

K A England

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 March 2006	1 April 2005
C C Pichon (Chief Executive)	-	-
S Arbon	-	-
R Rudman	-	-
K A England	-	-

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution will be submitted at the forthcoming Annual General Meeting that Myers Clark, Chartered Accountants, be re-appointed as auditors.

# WENTA SERVICES (POTTERS BAR) LIMITED

## **DIRECTORS' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2006**

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### **Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

*Company law requires the directors to prepare financial statements for each financial period which 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 proper accounting records which 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 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.

### **Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

  
C C Pichon (Chief Executive)

7 September 2006

# **WENTA SERVICES (POTTERS BAR) LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF WENTA SERVICES (POTTERS BAR) LIMITED**

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We have audited the financial statements of Wenta Services (Potters Bar) Limited on pages 5 to 12 for the year ended 31 March 2006. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention (as modified by the revaluation of certain fixed assets) and 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 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 the directors and auditors**

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

*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 if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records or 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 transactions with the company 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 judgements 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.

# WENTA SERVICES (POTTERS BAR) LIMITED

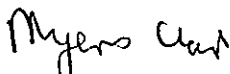
## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF WENTA SERVICES (POTTERS BAR) LIMITED

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### Opinion

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2006 and of its loss for the year then ended;
- the information given in the directors' report is consistent with the financial statements; and
- have been properly prepared in accordance with the Companies Act 1985.

  
Myers Clark

19 September 2006

Chartered Accountants

Registered Auditor

Iveco House  
Station Road  
Watford  
Hertfordshire  
WD17 1DL

# WENTA SERVICES (POTTERS BAR) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2006

		2006	2005
	Notes	£	£
Turnover		448,841	418,226
Administrative expenses		(299,620)	(285,832)
Donations		(149,221)	(132,394)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	2	-	-
Tax on loss on ordinary activities	3	-	-
		<hr/>	<hr/>
Loss on ordinary activities after taxation	10	-	-
		<hr/>	<hr/>



# WENTA SERVICES (POTTERS BAR) LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2006

	Notes	2006 £	2005 £
Unrealised surplus on revaluation of properties		993,162	-
<b>Total recognised gains and losses relating to the year</b>		<u>993,162</u>	<u>-</u>


# WENTA SERVICES (POTTERS BAR) LIMITED

## BALANCE SHEET AS AT 31 MARCH 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Tangible assets	4 and 5		2,806,619		1,808,273
<b>Current assets</b>					
Debtors	6	7,613		6,389	
Cash at bank and in hand		34,062		100	
		<u>41,675</u>		<u>6,489</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,775,529)</u>		<u>(1,735,159)</u>	
<b>Net current liabilities</b>			<u>(1,733,854)</u>		<u>(1,728,670)</u>
<b>Total assets less current liabilities</b>			<u>1,072,765</u>		<u>79,603</u>
<b>Capital and reserves</b>					
Called up share capital	9		1,000		1,000
Revaluation reserve	10		1,024,668		31,506
Profit and loss account	10		47,097		47,097
<b>Shareholders' funds</b>			<u>1,072,765</u>		<u>79,603</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Board on 7 September 2006

  
C C Hichon (Chief Executive)  
Director

  
S Arbon  
Director

# WENTA SERVICES (POTTERS BAR) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties.

The company meets its day to day working capital requirements through a loan from the holding company, Watford Enterprise Agency which is repayable on demand.

The validity of the going concern basis of accounting depends on the continuing support of the holding company. The directors of the holding company have provided confirmation that they will not seek repayment of the loan unless cashflow permits repayment to be made without jeopardising the position of the company. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the loan by the company's holding company.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	- 20% reducing balance
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#### 1.5 Investments

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

# WENTA SERVICES (POTTERS BAR) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

### 1 Accounting policies

(continued)

#### 1.7 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

No provision has been made for deferred tax on gains recognised on revaluing property to its market value as the company does not intend to sell the revalued assets.

#### 1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of the Watford Enterprise Agency, a company incorporated in Great Britain, and is included in the consolidated accounts of that company.

### 2 Operating loss

2006

2005

£

£

Operating loss is stated after charging:

Depreciation of tangible assets

1,654

2,069

Auditors' remuneration

2,000

2,000

Directors' emoluments

23,841

22,736

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 1).

### 3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

### 4 Tangible fixed assets

Plant and  
machinery etc

£

Cost

At 1 April 2005 & at 31 March 2006

28,361

Depreciation

At 1 April 2005

20,088

Charge for the year

1,654

At 31 March 2006

21,742

Net book value

At 31 March 2006

6,619

At 31 March 2005

8,273

# WENTA SERVICES (POTTERS BAR) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

### 5 Tangible fixed assets

	Investment properties £
<b>Valuation</b>	
At 1 April 2005	1,800,000
Additions	6,838
Revaluation	993,162
	<hr/>
At 31 March 2006	2,800,000
	<hr/>

The long leasehold investment property was valued during March 2006 at £2,800,000 by qualified Chartered Surveyors, Brasier Harris. Mr S. Arbon, a director of the company, is a partner of Brasier Harris.

The historical cost of the investment property amounts to £1,775,332 (2005: £1,768,494).

If these properties were sold for their revalued amounts it would be necessary to replace them with similar property and rollover relief against tax on the gain would be available. Accordingly no timing difference arises and no provision has been made for deferred tax in respect of the revaluation.

In accordance with SSAP19, (i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, except for permanent diminutions in value which are charged to the profit and loss account, as (ii) no amortisation is provided in respect of leasehold investment properties with over 20 years to run. The Directors consider that this accounting policy results in the financial statements giving a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of depreciation or amortisation which might otherwise have been shown cannot be separately identified or quantified.

6 Debtors	2006 £	2005 £
Trade debtors	1,936	208
Other debtors	5,677	6,181
	<hr/>	<hr/>
	7,613	6,389
	<hr/>	<hr/>

# WENTA SERVICES (POTTERS BAR) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

7	Creditors: amounts falling due within one year	2006 £	2005 £
	Bank loans and overdrafts	-	4,172
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	1,642,300	1,619,071
	Taxation and social security	25,276	26,393
	Other creditors	107,953	85,523
		<u>1,775,529</u>	<u>1,735,159</u>

The company has guaranteed loans to its holding company, Watford Enterprise Agency, from Natwest to a maximum of £1,500,000. Included within creditors is an amount due to Watford Enterprise Agency of £1,642,300 (2005: £1,619,071).

The above guarantee as well as the group overdraft is secured by way of a legal mortgage held by Natwest over the company's investment property.

### 8 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

#### Defined contribution

	2006 £	2005 £
Contributions payable by the company for the year	<u>3,740</u>	<u>3,740</u>

### 9 Share capital

	2006 £	2005 £
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# WENTA SERVICES (POTTERS BAR) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2006

### 10 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 April 2005	31,506	47,097
Revaluation during the year	993,162	-
Balance at 31 March 2006	<u>1,024,668</u>	<u>47,097</u>

### 11 Financial commitments

At 31 March 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2007:

	2006 £	2005 £
Operating leases which expire: Between two and five years	<u>1,404</u>	<u>-</u>

### 12 Control

The ultimate holding company is Watford Enterprise Agency, a company incorporated in Great Britain.

### 13 Related party transactions

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

Transactions have taken place during the year with businesses in which serving directors have an interest as follows:

The company incurred employment costs of £30,851 relating to an employee for South West Herts Business Partnership, a firm in which Mr C Pichon is a director. This amount was then invoiced to South West Herts Business Partnership.