

REGISTRAR OF COMPANIES

The Armourers Hall Company Limited

Annual Report and Financial Statements

31 March 2011

Company Registration Number
2800134 (England and Wales)

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Legal and administrative information

Directors	Prof Sir Colin Humphreys Sir Timothy Ruggles-Brise Bt The Viscount Lifford
Secretary	Cdre CW Waite
Registered office	Armourers' Hall 81 Coleman Street London EC2R 5BJ
Registered number	2800134 (England and Wales)
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 94 Moorgate London EC2M 6XT
Fund Manager	Rathbone Investment Management Limited 159 New Bond Street London W1S 2UD

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Directors' report 31 March 2011

The directors present their report with the financial statements of the company for the year ended 31 March 2011.

Principal activity

The principal activity of the company is managing the operating activities of the properties owned by the company. The directors intend to continue that activity for the foreseeable future

Review of business

A summary of the results of the year's trading is given on page 5 of the accounts. The directors are satisfied with the performance of the business in the year.

Directors

The following directors served throughout the year.

Director	
DEH Chapman	Resigned 24 June 2010
Prof Sir Colin Humphreys	
Sir Timothy Ruggles-Brise Bt	
The Viscount Lifford	Appointed 24 June 2010

No director had any interest in issued ordinary share capital during the year

Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year 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 these 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 United Kingdom 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

Directors' report 31 March 2011

Directors' responsibilities (continued)

The directors are responsible for keeping adequate accounting records that 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.

Each of the directors confirms that

- ◆ so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- ◆ the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

In preparing the above report, the directors have taken advantage of special exemptions applicable to small companies provided by Part 15 of the Companies Act 2006.

Approved by the board of directors on 16 June 2011



Prof. Sir Colin Humphreys

Director

Independent auditor's report 31 March 2011

Independent auditor's report to the members of The Armourers Hall Company Limited

We have audited the financial statements of The Armourers Hall Company Limited for the year ended 31 March 2011, which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 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 the directors and auditors

As explained more fully in the statement of directors' responsibilities set out in the directors' report, 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 and express an opinion on 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 2011 and of its loss for the year then ended,
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report 31 March 2011

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

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

Buzzacott LLP 20th June 2011

Cliff Cooper, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Profit and loss account Year to 31 March 2011

	Notes	2011 £	2010 £
Turnover	1	204,735	181,230
Administrative expenses		(462,423)	(441,963)
Loss on ordinary activities		(257,688)	(260,733)
Other operating income	3	233,958	227,015
Gain on sale of investments		—	25,403
Loss on ordinary activities before taxation		(23,730)	(8,315)
Tax on loss on ordinary activities	6	5,844	(5,844)
Loss on ordinary activities after taxation		(17,886)	(14,159)

All of the company's activities derived from continuing operations during the above two financial periods

Statement of historical cost profits and losses Year to 31 March 2011

	Notes	2011 £	2010 £
Loss on ordinary activities before taxation		(23,730)	(8,315)
Difference between the historical cost gains (losses) on investments and the actual gains (losses) calculated on carrying value	13	—	(114,526)
Historical cost loss for the year before taxation		(23,730)	(122,841)
Historical cost loss for the year after taxation		(17,886)	(128,685)

Statement of total recognised gains and losses Year to 31 March 2011

	2011 £	2010 £
Loss for the financial year on ordinary activities	(17,886)	(14,159)
Unrealised gain on listed investments	72,649	279,741
Unrealised (loss) gain on revaluation of properties	(140,000)	170,000
Total recognised (loss) gain relating to the year	(85,237)	435,582
Reconciliation		
Opening capital and reserves	1,797,962	1,362,380
Total recognised (loss) gain relating to the year	(85,237)	435,582
Closing capital and reserves	1,712,725	1,797,962

Balance sheet 31 March 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Fixed assets					
Tangible fixed assets	7	97,889		129,382	
Investments	8	4,220,019		4,287,370	
			4,317,908		4,416,752
Current assets					
Stock		300		1,700	
Debtors	9	25,438		31,124	
Cash at bank and in hand		145,549		122,884	
		171,287		155,708	
Creditors amounts falling due within one year	10	(51,794)		(49,822)	
Net current assets			119,493		105,886
Total assets less current liabilities			4,437,401		4,522,638
Creditors Amounts falling due after more than one year	11		(2,724,676)		(2,724,676)
Total net assets			1,712,725		1,797,962
Capital and reserves					
Called up share capital	12	1,000,002		1,000,002	
Revaluation reserve	13	300,508		367,859	
Profit and loss account		412,215		430,101	
Shareholder's funds		1,712,725		1,797,962	

The directors have taken advantage of special exemptions conferred by Part 15 of the Companies Act 2006 applicable to small companies and the Financial Reporting Standard for Smaller Entities (effective April 2008) in the preparation of the financial statements and have done so on the grounds that, in their opinion, the company qualified as a small company

Approved by the board of directors on 16 June 2011



Prof Sir Colin Humphreys
Director

Principal accounting policies 31 March 2011

Accounting convention

The financial statements are prepared under the historical cost convention modified by the revaluation of fixed assets and in accordance with applicable accounting standards.

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Cash flow

The financial statements do not include a cash flow statement because the company, as a small company, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008)

Investment properties

In accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of freehold investment properties.

The directors consider that this accounting policy results in the financial statements giving a true and fair view.

Listed investments

Investments are shown at market value based on the middle market price quoted on the London Stock Exchange

Depreciation

Depreciation is provided on a straight line basis on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows

Hall improvements – over 10 years

Investment income

Investment income is recognised on an accruals basis.

Deferred taxation

Deferred taxation is provided in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or right to pay less, tax in the future have occurred at the balance sheet date

Principal accounting policies 31 March 2011

Pensions

The Company operates a defined contribution pension scheme for certain employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Notes to the accounts 31 March 2011

1 Turnover

Turnover represents the invoiced value of amounts received and receivable in respect of the letting of the Company's properties held as tangible fixed assets.

2 Loss on ordinary activities

	2011 £	2010 £
This is stated after charging		
Auditors' remuneration		
Audit fee	6,000	5,875
Other services	9,771	2,701
Depreciation of tangible fixed assets	31,493	31,493

3 Other operating income

	2011 £	2010 £
Income from fixed income and Government Securities	95,397	88,686
Other interest receivable	561	329
Income from investment property	138,000	138,000
	233,958	227,015

4 Staff costs

Staff costs were as follows

	2011 £	2010 £
Wages and salaries	137,606	134,882
Pensions costs	13,775	13,639
Social security costs	15,909	15,438
	167,290	163,959

The company has four full time employees (2010 – four)

5 Directors emoluments

None of the directors received any emoluments in respect of their services as directors during the year (2010 – £nil)

Notes to the accounts 31 March 2011

6 Tax on loss on ordinary activities

	2011 £	2010 £
On loss on ordinary activities		
Corporation tax at 21% (2010 21%) payable on profits	(5,844)	5,844

Factors affecting current tax (credit)/charge for the year:

The difference between the result for the year at the standard rate of corporation tax and the actual tax (credit)/charge are explained below.

	2011 £	2010 £
Loss on ordinary activities before taxation	(23,730)	(8,315)
Corporation tax 21% (2010 21%)	(4,983)	(1,746)
Effects of		
Depreciation in excess of capital allowances	4,280	3,697
Utilisation of excess expenses brought forward		(28,313)
Difference between accounting and tax treatment of investments	6,541	32,218
Other	(30)	(12)
Group relief	(5,808)	—
Prior year adjustment	(5,844)	—
Current tax (credit)/charge for the year	(5,844)	5,844

7 Tangible fixed assets

	Hall £	Hall improvements £	Total £
Cost or valuation			
At 1 April 2010	1	314,929	314,930
Depreciation			
At 1 April 2010	—	185,548	185,548
Charge for year	—	31,493	31,493
At 31 March 2011	—	217,041	217,041
Net book value at 31 March 2011	1	97,888	97,889
Net book value at 31 March 2010	1	129,381	129,382

Notes to the accounts 31 March 2011

8 Investments

At 31 March 2011 investments comprised:

	2011 £	2010 £
Fixed income and Government securities	2,560,019	2,487,370
Investment properties	1,660,000	1,800,000
	4,220,019	4,287,370

Fixed income and Government Securities

	2011 £	2010 £
At valuation		
At 1 April 2010	2,475,058	1,909,034
Disposals	—	(1,266,340)
Purchases	—	1,552,623
Surplus on revaluation	72,649	279,741
At 31 March 2011	2,547,707	2,475,058

Cash held by investment managers	12,312	12,312
	2,560,019	2,487,370

Cost of fixed income and government securities at 31 March 2011	2,407,199	2,407,199
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Investment property

	2011 £	2010 £
At valuation		
At 1 April 2010	1,800,000	1,630,000
(Deficit) surplus on revaluation	(140,000)	170,000
At 31 March 2011	1,660,000	1,800,000

The investment property was valued at its open market value for existing use, in accordance with the Appraisal and Valuation Manual of The Royal Institute of Chartered Surveyors on 31 March 2011 by DTZ Debenham Tie Leung, professionally qualified chartered surveyors

9 Debtors

	2011 £	2010 £
Trade debtors	5,295	12,894
Investment income receivable	5,025	6,483
Prepayments and accrued income	13,513	10,671
Other debtors	1,575	1,076
Corporation tax recoverable	30	—
	25,438	31,124

Notes to the accounts 31 March 2011

10 Creditors: amounts falling due within one year

	2011 £	2010 £
Corporation tax	—	5,844
Other creditors	27,316	17,321
Accruals and deferred income	13,138	14,274
Other taxes and social security costs	5,163	5,105
Amounts due to parent undertaking	6,177	7,278
	51,794	49,822

11 Creditors: amounts falling due after more than one year

	2011 £	2010 £
Amounts due to parent undertaking	2,724,676	2,724,676

12 Called up share capital

	2011 £	2010 £
Authorised 5,000,000 ordinary shares of £1 each	5,000,000	5,000,000
Allotted, called up and fully paid 1,000,002 ordinary shares of £1 each	1,000,002	1,000,002

13 Revaluation reserve

	2011 £	2010 £
At 1 April 2010	367,859	(196,408)
Changes in the year	(67,351)	564,267
At 31 March 2011	300,508	367,859

13 Revaluation reserve (continued)

	2011 £	2010 £
Changes in the year		
Arising on revaluation of 73 Moorgate	(140,000)	170,000
Arising on revaluation of listed investments	72,649	279,741
Arising on profit realised during the year	—	114,526
	<u>(67,351)</u>	<u>564,267</u>

14 Reconciliation of movements in shareholder's funds

	2011 £	2010 £
Opening shareholders' funds at 1 April 2010	1,797,962	1,362,380
Loss for the year	(17,886)	(128,685)
Movement on revaluation reserve	(67,351)	564,267
Closing shareholder's funds at 31 March 2011	<u>1,712,725</u>	<u>1,797,962</u>

15 Pension commitments

The company operates a defined contribution scheme for certain employees. Premiums paid in the year amounted to £13,775 (2010 £13,639).

There are no outstanding or prepaid contributions at 31 March. The assets of the scheme are held separately from those of the company.

16 Related parties and ultimate parent company

The company is a wholly owned subsidiary of the Worshipful Company of Armourers and Brasiers, a company incorporated by Royal Charter in 1453.

During the year the parent company charged £69,135 (2010. £68,285) for overheads and was charged £30,000 (2010. £30,000) for use of the premises.