



Unaudited financial statements Manor Investments (Ipswich) Limited

For the Period from 1 November 2009 to 31 January 2011



Company No. 03154439

Company information

Company registration number	03154439
Registered office	Merchant House 33 Fore Street IPSWICH Suffolk IP4 1JL
Directors	Lady A L Cattermole-Dunnett R W Cattermole B Heffer
Secretary	B Heffer
Bankers	National Westminster Bank plc
Solicitors	Birketts
Accountants	Grant Thornton UK LLP Chartered Accountants Crown House Crown Street IPSWICH Suffolk IP1 3HS

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Report of the directors

The directors present their report and the financial statements of the company for the period from 1 November 2009 to 31 January 2011

Principal activities

The company is principally engaged in property investment and development

Directors

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

Lady A L Cattermole-Dunnett
R W Cattermole
B Heffer

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD



B Heffer
Secretary

26 July 2011



Chartered accountants' report to the board of directors on the unaudited financial statements of Manor Investments (Ipswich) Limited

In accordance with the engagement letter dated 28 June 2011 and in order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Manor Investments (Ipswich) Limited for the period ended 31 January 2011 which comprise the accounting policies, unaudited profit and loss account, unaudited balance sheet and the related notes from the company's accounting records and from information and explanations you have given to us

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at www.icaew.com

This report is made to the Board of Directors of Manor Investments (Ipswich) Limited, as a body, in accordance with the terms of our engagement letter dated 28 June 2011. Our work has been undertaken solely to prepare for your approval the accounts of Manor Investments (Ipswich) Limited and state those matters that we have agreed to state to the Board of Directors of Manor Investments (Ipswich) Limited, as a body, in this report in accordance with the requirements of the Institute of Chartered Accountants in England and Wales, as detailed at www.icaew.com. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Manor Investments (Ipswich) Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Manor Investments (Ipswich) Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities and financial position of Manor Investments (Ipswich) Limited. You consider that Manor Investments (Ipswich) Limited is exempt from the statutory audit requirement for the period ended 31 January 2011.

We have not been instructed to carry out an audit or a review of the accounts of Manor Investments (Ipswich) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS
IPSWICH

26 July 2011

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effect April 2008)

Going concern

During the year the company made a loss before tax of £85,270

The company has received an undertaking of continuing financial support from Elizabeth Holdings plc and its subsidiaries, a group controlled by Mr R W Cattermole who also owns the company

The company is dependent upon this support to continue trading For this reason the directors consider it appropriate to prepare the financial statements on a going concern basis

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 | - Over 50 years |
| Purchased goodwill | - Over 7 years |

Freehold property includes purchased goodwill arising on the acquisition of properties on the grounds that freehold properties (mainly hotels) are valued on a going concern basis

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

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

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.

Unaudited profit and loss account

		Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
	Note		
Turnover		—	—
Other operating charges	1	55,927	(213,627)
Operating (loss)/profit	2	(55,927)	213,627
Interest receivable and similar income	4	—	20,772
Interest payable and similar charges		(29,343)	(57,120)
(Loss)/profit on ordinary activities before taxation		(85,270)	177,279
Tax on (loss)/profit on ordinary activities	5	67,528	(5,410)
(Loss)/profit for the financial period	14	(152,798)	182,689

All of the activities of the company are classed as continuing

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

Unaudited balance sheet

	Note	31 Jan 11 £	31 Oct 09 £
Fixed assets			
Tangible assets	6	<u>2,437,500</u>	<u>3,350,000</u>
Current assets			
Debtors	7	298,562	321,736
Cash at bank		<u>2,946</u>	<u>714</u>
		<u>301,508</u>	<u>322,450</u>
Creditors: amounts falling due within one year	8	<u>1,376,813</u>	<u>2,441,235</u>
Net current liabilities		<u>(1,075,305)</u>	<u>(2,118,785)</u>
Total assets less current liabilities		<u>1,362,195</u>	<u>1,231,215</u>
Creditors: amounts falling due after more than one year	9	354,247	90,113
Provisions for liabilities			
Deferred taxation	10	<u>100,791</u>	<u>81,147</u>
		<u>907,157</u>	<u>1,059,955</u>
Capital and reserves			
Called-up equity share capital	13	100	100
Revaluation reserve	14	708,909	1,422,918
Profit and loss account	14	<u>198,148</u>	<u>(363,063)</u>
Shareholders' funds		<u>907,157</u>	<u>1,059,955</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act

The directors acknowledge their responsibility for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 26 7 11


R W Cattermole
Director

Company Registration Number 03154439

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

Other primary statements

Statement of total recognised gains and losses

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
(Loss)/profit for the financial period	(152,798)	182,689
Unrealised loss on revaluation of certain fixed assets	—	(265,000)
Total gains and losses recognised for the period	<u>(152,798)</u>	<u>(82,311)</u>

Note of historical cost profits and losses

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
(Loss)/profit on ordinary activities before taxation	(85,270)	177,279
Difference between a historical cost depreciation charge and the actual charge calculated on the revalued amount	4,680	21,087
Difference between a historical cost profit on disposal and the actual profit on disposal calculated on the revalued amount	714,009	—
Historical cost (loss)/profit on ordinary activities before taxation	<u>633,419</u>	<u>198,366</u>
Historical cost (loss)/profit for the period after taxation	<u>565,891</u>	<u>203,776</u>

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

Notes to the unaudited financial statements

1 Other operating charges

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
Administrative expenses	<u>55,927</u>	<u>(213,627)</u>

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
Depreciation of owned fixed assets	<u>62,500</u>	<u>75,000</u>

Auditors' remuneration is borne by a related undertaking

3 Directors and employees

No salaries or wages have been paid to employees, including the directors, during the period

4 Interest receivable and similar income

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
Bank interest receivable	—	255
Other similar income receivable	—	20,517
	<u>—</u>	<u>20,772</u>

5 Taxation on ordinary activities

Analysis of charge in the period

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
Current tax		
UK Corporation tax based on the results for the period	47,884	-
Adjustments in respect of prior years	-	(16,166)
Total current tax	47,884	(16,166)
Deferred tax		
Origination and reversal of timing differences (note 10)		
Capital allowances	19,644	10,756
Tax on (loss)/profit on ordinary activities	67,528	(5,410)

6 Tangible fixed assets

	Freehold Land & Buildings £
Cost or valuation	
At 1 November 2009	3,350,000
Disposals	(850,000)
At 31 January 2011	2,500,000
Depreciation	
Charge for the period	62,500
At 31 January 2011	62,500
Net book value	
At 31 January 2011	2,437,500
At 31 October 2009	3,350,000

Freehold land and buildings of £3,300,000 were revalued at 31 October 2008 by an independent valuer Mr J Spurrell FRICS, FCIArb, FFB, FLLA. These valuations were reduced to £2,940,000 by the directors taking into account current trading conditions. At 31 October 2009 the valuation was further reduced to £2,500,000 taking into account current trading conditions.

The basis of the valuation was open market value, with hotels being valued as fully equipped operational entities having regard to their trading potential.

6 Tangible fixed assets (continued)

If certain fixed assets had not been revalued, they would have been included on the historical cost basis at the following amounts

	Freehold Land & Buildings £
Cost	2,312,800
Accumulated depreciation	389,323
Net book amount at 31 January 2011	<u>1,923,477</u>
Net book amount at 31 October 2009	<u>1,981,297</u>

7 Debtors

	31 Jan 11 £	31 Oct 09 £
Corporation tax repayable	–	16,166
VAT recoverable	542	–
Amounts owed by related undertakings	177,523	185,073
Other debtors	<u>120,497</u>	<u>120,497</u>
	<u>298,562</u>	<u>321,736</u>

The debtors above include the following amounts falling due after more than one year

	31 Jan 11 £	31 Oct 09 £
Other debtors	<u>120,497</u>	<u>120,497</u>

8 Creditors: amounts falling due within one year

	31 Jan 11 £	31 Oct 09 £
Bank loans	185,424	2,016,391
Trade creditors	2,514	1,605
Corporation tax	31,718	–
VAT	–	11,601
Amounts owed to related undertakings	1,135,666	383,914
Directors' current accounts	20,438	20,906
Accruals and deferred income	<u>1,053</u>	<u>6,818</u>
	<u>1,376,813</u>	<u>2,441,235</u>

9 Creditors: amounts falling due after more than one year

	31 Jan 11 £	31 Oct 09 £
Bank loans	115,983	–
Amounts owed to related undertakings	238,264	90,113
	<u>354,247</u>	<u>90,113</u>

Bank loans are repayable in equal instalments as follows

Amount outstanding	Expiry date	Repayment	Interest rate
£301,407	2017	Monthly	1 5% over base rate

The bank loans are secured on the company's freehold properties and by a cross guarantee with Elizabeth Estates (NWB) Limited, and Westerfield Hotels Limited

10 Deferred taxation

The movement in the deferred taxation provision during the period was

	Period from 1 Nov 09 to 31 Jan 11 £	Year to 31 Oct 09 £
Provision brought forward	81,147	70,391
Profit and loss account movement arising during the period	19,644	10,756
Provision carried forward	<u>100,791</u>	<u>81,147</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	31 Jan 11 £	31 Oct 09 £
Excess of taxation allowances over depreciation on fixed assets	100,791	81,147
	<u>100,791</u>	<u>81,147</u>

No provision has been made for taxation which would accrue if the land and buildings were disposed of at their revalued amounts. The unrealised capital gains on these properties, calculated using a tax rate of 27% (2009 - 28%) are £191,405 (2009 - £426,418)

11 Contingent assets/liabilities

The directors confirm that there were no contingent liabilities which should be disclosed at 31 January 2011

12 Related party transactions

The following balances relate to companies in which Mr R W Cattermole has a material interest

	Debtor 2011 £	Creditor 2011 £	Debtor 2009 £	Creditor 2009 £
Amounts due within one year.				
Elizabeth Estates (NWB) Limited	–	1,135,666	–	248,666
Warren Wright (Ipswich) Limited	–	–	7,550	–
Ryan Elizabeth Holdings plc	–	–	–	135,248
Lincoln Hotels Limited	177,523	–	177,523	–
	<u>177,523</u>	<u>–</u>	<u>177,523</u>	<u>–</u>
Amounts due in more than one year:				
Ryan Elizabeth Holdings plc	–	238,264	–	90,113
	<u>–</u>	<u>238,264</u>	<u>–</u>	<u>90,113</u>

At 31 January 2011 an amount of £20,438 (2009 - £20,906) was owed to Mr R W Cattermole. A balance of £6,000 (2009 - £6,000) owed by Somersham Properties Limited was provided for at the year end

13 Share capital

Authorised share capital

	31 Jan 11 £	31 Oct 09 £
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid

	31 Jan 11 No	£	31 Oct 09 No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

14 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 November 2009	1,422,918	(363,063)
Loss for the period	–	(152,798)
Other movements		
- transfer to/from revaluation reserve	(714,009)	714,009
At 31 January 2011	<u>708,909</u>	<u>198,148</u>

15 Pensions

The company has not operated, or contributed to any pension scheme on behalf of its employees

16 Capital commitments

The directors have confirmed that there were no capital commitments at 31 January 2011 or 31 October 2009

17 Controlling related party

Mr R W Cattermole is this company's controlling related party by virtue of his shareholding in the company