

Unaudited Financial Statements Conky Properties Limited

For the year ended 31 October 2011



Registered number: 03456750

Conky Properties Limited

Company Information

Directors	Mr A Mason Mr C Mason Mr N Platts
Company secretary	Mr B D Harvey Mr M C McDonald
Company number	03456750
Registered office	The Corn Exchange Brunswick Street Liverpool L2 7TP
Accountants	Grant Thornton UK LLP Chartered Accountants Royal Liver Building Liverpool L3 1PS
Bankers	The Royal Bank of Scotland Plc 1 Dale Street Liverpool L2 2PP
Solicitors	Hill Dickinson LLP No 1 St Paul's Square Liverpool L3 9SJ

Conky Properties Limited

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Conky Properties Limited

Directors' report

For the year ended 31 October 2011

The directors present their report and the unaudited financial statements for the year ended 31 October 2011

Principal activity

The company's principal activity is property investment

Directors

The directors who served during the year were

Mr A Mason

Mr C Mason

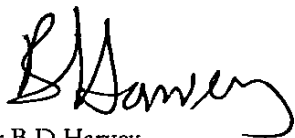
Mr N Platts

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on

24 / 7 / 12

and signed on its behalf



Mr B D Harvey
Secretary



Chartered accountants' report to the board of directors on the preparation of the unaudited statutory financial statements of Conky Properties Limited for the year ended 31 October 2011

In accordance with the engagement letter dated 19 July 2010 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 Conky Properties Limited for the year ended 31 October 2011 which comprise the Profit and loss account, the 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 solely to the Board of Directors of Conky Properties Limited, as a body, in accordance with the terms of our engagement letter dated 19th July 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Conky Properties Limited and state those matters that we have agreed to state to the Board of Directors of Conky Properties 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 Conky Properties Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Conky Properties Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the company's assets, liabilities, financial position and loss of Conky Properties Limited. You consider that Conky Properties Limited is exempt from the statutory audit requirement for the year ended 31 October 2011.

We have not been instructed to carry out an audit or review of the financial statements of Conky Properties 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 financial statements.

Grant Thornton UK LLP

Grant Thornton UK LLP

Chartered Accountants

Liverpool

Date *26 July 2012*

Profit and loss account

For the year ended 31 October 2011

	Note	2011 £	2010 £
Turnover	1	20,000	17,514
Cost of sales		2,816	(1,004)
		<hr/>	<hr/>
Gross profit		22,816	16,510
Administrative expenses		(10,638)	(12,523)
		<hr/>	<hr/>
Operating profit	2	12,178	3,987
Exceptional items			
Other exceptional items	3	(15,000)	35,000
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before interest		(2,822)	38,987
Interest payable and similar charges		(522)	(731)
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(3,344)	38,256
Tax on (loss)/profit on ordinary activities	4	(2,379)	(513)
		<hr/>	<hr/>
(Loss)/profit for the financial year	9	(5,723)	37,743
		<hr/>	<hr/>

The notes on pages 5 to 9 form part of these financial statements

Balance sheet

As at 31 October 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Investment property	5		180,000		195,000
Current assets					
Debtors	6	15,333		10,679	
Cash at bank		96		7,840	
		<u>15,429</u>		<u>18,519</u>	
Creditors, amounts falling due within one year	7	<u>(31,548)</u>		<u>(43,915)</u>	
Net current liabilities			<u>(16,119)</u>		<u>(25,396)</u>
Total assets less current liabilities			<u>163,881</u>		<u>169,604</u>
Capital and reserves					
Called up share capital	8		50		50
Capital redemption reserve	9		50		50
Profit and loss account	9		163,781		169,504
Shareholders' funds			<u>163,881</u>		<u>169,604</u>

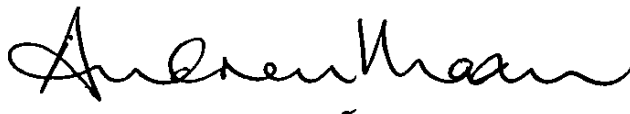
The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 October 2011 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24/7/12

Mr A Mason
 Director



The notes on pages 5 to 9 form part of these financial statements

Notes to the financial statements

For the year ended 31 October 2011

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The accounting policies of the company are set out below and have remained unchanged from the previous year

1.2 Turnover

Turnover represents the rental income derived from the company's one continuing activity of property investment in the United Kingdom. Turnover is recognised in the period to which it relates

1.3 Investment property

The investment property is shown at its open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment properties revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year

This is in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view

1.4 Current tax

The current tax charge is based on the (loss)/profit for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the year except to the extent that it is attributable to a gain or loss that is or has been recognised directly in the statement of total recognised gains and losses

Notes to the financial statements

For the year ended 31 October 2011

1. Accounting policies (continued)

1.5 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, with the following exceptions

Provision is made for tax on gains arising from the revaluation of fixed assets only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned

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

1.6 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

A financial liability exists where there is a contractual obligation to deliver cash or another financial asset to another entity, or to exchange financial assets or financial liabilities under potentially unfavourable conditions. In addition, contracts which result in the entity delivering a variable number of its own equity instruments are financial liabilities. Shares containing such obligations are classified as financial liabilities

Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. The carrying amount of the liability is increased by the finance cost and reduced by payments made in respect of that liability. Finance costs are calculated so as to produce a constant rate of charge on the outstanding liability

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Dividends and distributions relating to equity instruments are debited directly to reserves

Notes to the financial statements

For the year ended 31 October 2011

2. Operating profit

During the year, no director received any emoluments (2010 - £NIL)

3. Exceptional items

	2011 £	2010 £
(Increase)/decrease in permanent diminution in value of investment property	<u>(15,000)</u>	<u>35,000</u>

4. Taxation

	2011 £	2010 £
UK corporation tax charge on (loss)/profit for the year	<u>2,379</u>	<u>513</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - lower than) the standard rate of corporation tax in the UK of 20 4% (2010 - 21%) The differences are explained below

	2011 £	2010 £
(Loss)/profit on ordinary activities before tax	<u>(3,344)</u>	<u>38,256</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20 4% (2010 - 21%)	(682)	8,034
Effects of:		
Capital allowances for year in excess of depreciation	-	(171)
Permanent diminution in value of investment property	3,061	(7,350)
Current tax charge for the year (see note above)	<u>2,379</u>	<u>513</u>

Notes to the financial statements

For the year ended 31 October 2011

5. Investment property

	Freehold investment property £
Cost	
At 1 November 2010	195,000
Permanent diminution in value	(15,000)
At 31 October 2011	<u>180,000</u>

The 2011 valuations were made by A Kelly, who is a qualified chartered surveyor, on an open market value for existing use basis

If the freehold investment property had not been revalued, its historical cost at 31 October 2011 would be £200,000 (2010 £200,000) less a provision for permanent diminution in value of £20,000 (2010 £5,000)

6. Debtors

	2011 £	2010 £
Amounts owed by related undertakings	12,284	7,638
Other debtors	3,049	3,041
	<u>15,333</u>	<u>10,679</u>

7. Creditors: Amounts falling due within one year

	2011 £	2010 £
Trade creditors	-	3,951
Amounts owed to related undertaking	18,328	18,647
Corporation tax	2,379	11,668
Social security and other taxes	651	-
Other creditors	10,190	9,649
	<u>31,548</u>	<u>43,915</u>

8. Share capital

	2011 £	2010 £
Authorised, allotted, called up and fully paid		
50 Ordinary shares shares of £1 each	<u>50</u>	<u>50</u>

Notes to the financial statements

For the year ended 31 October 2011

9. Reserves

	Capital redempt'n reserve £	Profit and loss account £
At 1 November 2010	50	169,504
Loss for the year		(5,723)
At 31 October 2011	<u>50</u>	<u>163,781</u>

10. Contingent liabilities

The directors have confirmed that there were no contingent liabilities at 31 October 2011 or 31 October 2010

11. Capital commitments

The directors have confirmed that there were no capital commitments at 31 October 2011 or 31 October 2010

12. Related party transactions

A Mason, C Mason and N Platts are directors of this company, and directors and shareholders of Mason & Partners Limited. An amount of £12,284 (2010 £7,638) was due from Mason & Partners Limited at 31 October 2011, who act as managing agents for the company.

During the year the company incurred property management charges of £957 (2010 £765) and £5,333 (2010 £4,333) for other professional services payable to Mason & Partners Limited. The company also received a credit against prior year management fees payable of £3,773 (2010 £Nil). At 31 October 2011, £333 (2010 £3,623) was owed to Mason & Partners Limited and is included within other creditors.

An unsecured interest bearing loan of £18,328 (2010 £18,000) is also outstanding to Mason & Partners Limited at 31 October 2011. Interest is charged from 1 July 2009 at a rate of 2% above the Bank of England base rate and amounted to £459 (2010 £647). Interest accrued but total unpaid at the year end amounted to £1,106 (2010 £647).

13. Post balance sheet events

On 26 March 2012 the company sold its investment property for a consideration of £180,000.