

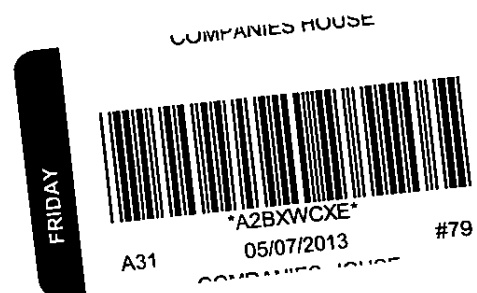
**HATHAWAY PROPERTY COMPANY LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**Registered Number: 05131317**

**Registered Office:**  
Tiddington Road  
Stratford-upon-Avon  
Warwickshire  
CV37 7BJ



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HATHAWAY PROPERTY COMPANY LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2012

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## HATHAWAY PROPERTY COMPANY LIMITED

### DIRECTORS' REPORT

#### FOR THE YEAR ENDED 31ST DECEMBER 2012

The directors present their annual report and audited financial statements of Hathaway Property Company Limited ("the Company") for the year ended 31st December 2012

### PRINCIPAL ACTIVITIES

The principal activity of the Company is that of the holding company for the Head Office property used by the ultimate parent company, The National Farmers Union Mutual Insurance Society Limited. The ultimate parent company pays a nominal amount for the lease of the property, which, as at 31st December 2012, has 9 years remaining until expiry.

### REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

During the year the Company undertook a revaluation of the Head Office property, there has been a £650,000 decrease in its asset valuation to £3,850,000 (2011 £4,500,000). The directors have adopted an annual Fixed Asset review policy.

The directors anticipate that these arrangements will continue for the foreseeable future, and that there will be no change to the activity levels for the Company going forward. Given the straight forward nature of the company, the directors are of the opinion that a review using key performance indicators is not necessary for the understanding of the financial statements.

### DIVIDENDS

The directors do not recommend the payment of a dividend (2011 £nil).

### GOING CONCERN

After making enquiries, the directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

### FINANCIAL RISK MANAGEMENT

#### Market Risk

The principal risk to the Company is a fall in property markets as its land and buildings are held at market value. This risk is mitigated for the Company by a team who look after the property and monitors its value on a yearly basis.

HATHAWAY PROPERTY COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2012

DIRECTORS

The directors during the year and up to the signing of the financial statements were as follows

Kim Arif, B Soc Sc (Hons), F I A  
R M Topps, BSc (Hons) MRICS

The parent company has put in place deeds of indemnity for the benefit of the directors and Company Secretary of the parent company and of its associated companies. The deeds of indemnity are qualifying third party indemnity provisions in accordance with the Companies Act 2006. The qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements.

On Behalf of the Board



**Kim Arif**  
**Director**

26/06/2013

# HATHAWAY PROPERTY COMPANY LIMITED

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

### FOR THE YEAR ENDED 31ST DECEMBER 2012

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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,
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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.

#### Disclosure of Information to Auditors

Each of the directors at the date of approval of this report confirms that

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

(b) the director has taken all the steps that they ought to have taken as a director in order to make them self 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.

On Behalf of the Board



**K Arif**  
**Director**

26/06/2013

## HATHAWAY PROPERTY COMPANY LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HATHAWAY PROPERTY COMPANY LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2012

We have audited the financial statements of Hathaway Property Company Limited for the year ended 31st December 2012, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 December 2012 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom 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.

#### **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.



Craig Gentle (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

26/06/2013

HATHAWAY PROPERTY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2012

	<u>Note</u>	<u>2012</u> £	<u>2011</u> £
<u>CONTINUING OPERATIONS</u>			
TURNOVER		-	-
OPERATING PROFIT		-	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities	5	-	-
RETAINED PROFIT FOR THE FINANCIAL YEAR	8	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Profit for the financial year	-	-
Unrealised deficit on revaluation of properties	(650,000)	(400,000)
Total recognised losses relating to the year	<u>(650,000)</u>	<u>(400,000)</u>

The notes on Pages 8- 10 are an integral part of the financial statements

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historic cost equivalents

# HATHAWAY PROPERTY COMPANY LIMITED

## BALANCE SHEET

AS AT 31st December 2012

	<u>Note</u>	<u>2012</u> £	<u>2011</u> £
FIXED ASSETS			
Tangible Assets	6	3,850,000	4,500,000
CURRENT ASSETS			
Amount owed by Group Undertakings		1	1
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,850,001</u>	<u>4,500,001</u>
NET ASSETS		<u>3,850,001</u>	<u>4,500,001</u>
CAPITAL AND RESERVES			
Called up share capital	7	1,200,001	1,200,001
Profit and loss account	8		
Revaluation reserve	8	<u>2,650,000</u>	<u>3,300,000</u>
TOTAL SHAREHOLDERS' FUNDS	8	<u>3,850,001</u>	<u>4,500,001</u>

The notes on Pages 8-10 are an integral part of the financial statements

The financial statements on pages 6 to 10 were approved by the board of directors on 26/06/2013 and were signed on its behalf by



**Kim Arif**  
**DIRECTOR**

Company Number 05131317



# HATHAWAY PROPERTY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 2012

#### **1 ACCOUNTING POLICIES**

The financial statements have been prepared on the going concern basis, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom under the historical cost convention, with the exception of land & buildings which are stated at fair value. The main accounting policies have been set out below.

a) New Accounting Standards

No new accounting standards were adopted during the year.

b) Depreciation

The value of property is not depreciated.

c) Fixed Assets

The property is valued annually by independent external Chartered Surveyors at Open Market Value, in accordance with RICS Appraisal and Valuation Manual. Gains and losses on revaluation are taken to the revaluation reserve until the carrying amount falls to depreciated historical cost after which it is recognised in the profit and loss account. Any subsequent reversals of a loss are written back (to the extent that it reverses a loss after adjusting for depreciation) against the profit or loss account. All subsequent gains and losses (if above historical cost) are taken to the revaluation reserve.

#### **2 CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES**

The Company is a wholly owned subsidiary of The National Farmers Union Mutual Insurance Society Limited and is included in the consolidated financial statements of The National Farmers Union Mutual Insurance Society Limited which are publicly available. Consequently, the Company is exempt under the terms of Financial Reporting Standard ("FRS") 1 (Revised 1996) from publishing a cash flow statement. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of The National Farmers Union Mutual Insurance Society group.

#### **3 DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION**

Services rendered by directors employed within the Group, in respect of the Company, are considered incidental to their role within the Group as a whole. Emoluments are therefore considered to be nil in respect of these services.

There were no employees during 2012 (2011: nil).

#### **4 AUDITORS' REMUNERATION**

Audit fees net of VAT of £3,000 (2011: £3,000) are borne by the ultimate parent company, The National Farmers Union Mutual Insurance Society Limited.

#### **5 TAX ON PROFIT ON ORDINARY ACTIVITIES**

There has been no tax charge or credit for the current year or prior year as no profit or loss has been made.

# HATHAWAY PROPERTY COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST DECEMBER 2012

6	<u>TANGIBLE FIXED ASSETS</u>	Land
	<u>Valuation</u>	
		£
	Valuation at 1 January 2012	4,500,000
	Additions	-
	Revaluation	(650,000)
		<u>3,850,000</u>
	Accumulated At 31st December 2012	<u>3,850,000</u>
	<u>Accumulated depreciation</u>	-
	<u>Net book value</u>	
	At 31st December 2012	<u>3,850,000</u>
	At 31st December 2011	<u>4,500,000</u>

The only asset held by the Company relates to land, which is not depreciated, and buildings which are held at market value. All land and buildings are valued annually by independent external Chartered Surveyors, BNP Paribas, at Open Market Value, in accordance with RICS Appraisal and Valuation Manual.

The original cost of the land and buildings is £1,200,000

7	<u>CALLED UP SHARE CAPITAL</u>	<u>2012</u>	<u>2011</u>
		£	£
	<u>Authorised</u> 1,300,000 ordinary shares of £1 each	<u>1,300,000</u>	<u>1,300,000</u>
	<u>Allotted but not paid</u> 1,200,001 ordinary shares of £1 each	<u>1,200,001</u>	<u>1,200,001</u>

8	<u>RESERVES</u>	<u>Called up Share Capital</u>	<u>Profit and Loss Account</u>	<u>Revaluation Reserve</u>	<u>Total</u>
		£	£	£	£
	Balance at 1 January 2012	1,200,001	-	3,300,000	4,500,001
	Profit for the year	-	-	-	-
	Revaluation in the year	-	-	(650,000)	(650,000)
	Balance at 31 December 2012	<u>1,200,001</u>	<u>-</u>	<u>2,650,000</u>	<u>3,850,001</u>

**HATHAWAY PROPERTY COMPANY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**9 ULTIMATE PARENT UNDERTAKING**

The immediate parent company is NFU Mutual Management Company Limited, which is incorporated in England and Wales

The Company's ultimate parent undertaking and controlling party is The National Farmers Union Mutual Insurance Society Limited, which is incorporated in England and Wales

The National Farmers Union Mutual Insurance Society Limited is the only parent undertaking to consolidate these financial statements at 31st December 2012. The consolidated financial statements of The National Farmers Union Mutual Insurance Society Limited are available from the Secretary at the following address

Tiddington Road,  
Stratford-upon-Avon  
Warwickshire  
CV37 7BJ