

Company Registration No. 05204672 (England and Wales)

INVESTORS IN PRIVATE CAPITAL LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2011

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INVESTORS IN PRIVATE CAPITAL LIMITED

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INVESTORS IN PRIVATE CAPITAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

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

Directors

The following directors have held office since 1 April 2010

M R Turner
P O'Driscoll
J A Reuben
S Nahum

Principal activities and review of the business

The principal activity of the company is that of a holding company, the principal activity of the subsidiary companies is that of managing leased properties and property investment

The group continues to maintain its market position although turnover has decreased from last year due to the current economic climate

The requirements of relevant accounting standards require the group to conduct a revaluation of all investment properties under its portfolio. This exercise is conducted by Motcomb Estates Limited (professional valuers). The group maintains its policy of when an appropriate offer is received on its existing properties, the group may look to make disposals if the outlet is not meeting the internal benchmarks. The assets have been maintained at their prior years valuation. The directors view is that asset values have increased since the year end, but have chosen for prudence measures, not to make any adjustments to the asset valuations.

During the year, in accordance with the directors strategy for improving the long term future of the group disposed of some underperforming pubs and acquired some better quality pubs, which has generated a profit of £1.2 million during the period.

The group has no foreign exchange risks or any such financial instruments apart from Bond A and B issued and secured against the group's properties. A comprehensive note is stated under note number 13 in the accounts.

Financial Risk

The group supplies goods to customers on normal credit terms. Trade debtor balances are monitored on an ongoing basis and credit terms for all customers are regularly reviewed. As in previous years the group experienced difficulties in collecting payment from its debtors and as a consequence a provision of over £2 million has been made in the account for doubtful debts. The group's other financial risks arise on loans and cash balances. Surplus funds are held in short-term, interest-bearing deposits with major banks. The group has not entered into any derivative transactions such as interest rate swaps in relation to any borrowings or investments.

Commercial Risk

The group operates in a competitive market and there is a continuing risk that the group could lose its customers due to the economic downturn although this risk has reduced from previous years. The group is not dependant on any single customer. In order to manage credit risk the covenant strength of potential tenants is assessed on a case by case basis and, as a standard policy, security is obtained in the form of a rental deposit or guarantee. Existing tenants are reviewed on a regular basis to monitor payment and trading patterns.

INVESTORS IN PRIVATE CAPITAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Banking Risk

The group has long term financing in place with its bonds (see note 13) and as such, the banking risks are minimal for the group

Results and dividends

The consolidated profit and loss account for the year is set out on page 6

The director does not recommend payment of ordinary dividend

During the year the company made a political donation of £152,000 to The Conservative Party and its affiliates

Auditors

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

INVESTORS IN PRIVATE CAPITAL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Directors' responsibilities

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 elected to prepare 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 group and of the profit or loss of the group 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



P O'Driscoll

Director

14 October 2011

INVESTORS IN PRIVATE CAPITAL LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF INVESTORS IN PRIVATE CAPITAL LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Investors in Private Capital Limited for the year ended 31 March 2011 set out on pages 6 to 23. 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).

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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, 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 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.

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 group's and 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 group's and parent company's affairs as at 31 March 2011 and of the group's profit 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.

INVESTORS IN PRIVATE CAPITAL LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF INVESTORS IN PRIVATE CAPITAL LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



S P Coleman (Senior Statutory Auditor)
for and on behalf of Gerald Edelman

14 October 2011

Chartered Accountants
Statutory Auditor

25 Harley Street
London
W1G 9BR

INVESTORS IN PRIVATE CAPITAL LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £'000	2010 £'000
Turnover	2	30,600	33,492
Administrative expenses		(5,802)	(6,845)
Other operating income		265	19
Operating profit	3	25,063	26,666
Other interest receivable and similar income		178	168
Interest payable and similar charges	4	(19,613)	(20,537)
Profit on ordinary activities before taxation		5,628	6,297
Tax on profit on ordinary activities	5	(1,927)	(2,126)
Profit on ordinary activities after taxation		3,701	4,171

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

Note of historical cost profits and losses

	2011 £'000	2010 £'000
Reported profit on ordinary activities before taxation	5,628	6,297
Realisation of property revaluation gains of previous years	409	-
Historical cost profit on ordinary activities before taxation	6,037	6,297
Historical cost profit for the year retained after taxation, extraordinary items and dividends	4,110	4,171

INVESTORS IN PRIVATE CAPITAL LIMITED

BALANCE SHEETS

AS AT 31 MARCH 2011

	Notes	Group 2011 £'000	2010 £'000	Company 2011 £'000	2010 £'000
Fixed assets					
Tangible assets	7 and 8	502,381	504,368	-	-
Investments	9	-	-	151,700	151,700
		<u>502,381</u>	<u>504,368</u>	<u>151,700</u>	<u>151,700</u>
Current assets					
Debtors	10	8,094	14,243	14,524	22,174
Cash at bank and in hand		24,751	25,185	11	3,654
		<u>32,845</u>	<u>39,428</u>	<u>14,535</u>	<u>25,828</u>
Creditors: amounts falling due within one year	12	(23,265)	(20,630)	(2,867)	(3,195)
Net current assets		<u>9,580</u>	<u>18,790</u>	<u>11,668</u>	<u>22,633</u>
Total assets less current liabilities		<u>511,961</u>	<u>523,158</u>	<u>163,368</u>	<u>174,333</u>
Creditors: amounts falling due after more than one year	13	(384,591)	(399,678)	(223,332)	(232,512)
Provisions for liabilities	14	(13,662)	(13,473)	-	-
		<u>113,708</u>	<u>110,007</u>	<u>(59,964)</u>	<u>(58,179)</u>
Capital and reserves					
Called up share capital	16	1	1	1	1
Revaluation reserve	17	45,665	46,074	-	-
Profit and loss account	17	68,042	63,932	(59,965)	(58,180)
Shareholders' funds	18	<u>113,708</u>	<u>110,007</u>	<u>(59,964)</u>	<u>(58,179)</u>

Approved by the Board and authorised for issue on 14 October 2011



P O'Dnscoll
Director

Company Registration No. 05204672

INVESTORS IN PRIVATE CAPITAL LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

	£'000	2011 £'000	£'000	2010 £'000
Net cash inflow from operating activities		30,682		26,408
Returns on investments and servicing of finance				
Interest received	178		168	
Interest paid	(19,613)		(20,537)	
Net cash outflow for returns on investments and servicing of finance		(19,435)		(20,369)
Capital expenditure				
Payments to acquire tangible assets	(265)		(9)	
Receipts from sales of tangible assets	3,414		1,762	
Net cash inflow for capital expenditure		3,149		1,753
Net cash inflow before management of liquid resources and financing		14,396		7,792
Financing				
Net movement on loans and bonds	(14,830)		(3,608)	
Net cash outflow from financing		(14,830)		(3,608)
Increase in cash in the year		(434)		4,184

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£'000	£'000
	Operating profit	25,063	26,666
	Depreciation of tangible assets	50	46
	Profit on disposal of tangible assets	(1,203)	659
	Decrease in debtors	6,140	566
	Increase/(decrease) in creditors within one year	632	(1,519)
	Net cash inflow from operating activities	30,682	26,408

2	Analysis of net debt	1 April 2010	Cash flow	Other non- cash changes	31 March 2011
		£'000	£'000	£'000	£'000
	Net cash.				
	Cash at bank and in hand	25,185	(434)	-	24,751
	Debts falling due within one year	(5,661)	(257)	-	(5,918)
	Debts falling due after one year	(399,678)	15,087	-	(384,591)
		(405,339)	14,830	-	(390,509)
	Net debt	(380,154)	14,396	-	(365,758)

3	Reconciliation of net cash flow to movement in net debt	2011	2010
		£'000	£'000
	(Decrease)/increase in cash in the year	(434)	4,184
	Cash outflow from decrease in debt	14,830	3,608
	Movement in net debt in the year	14,396	7,792
	Opening net debt	(380,154)	(387,946)
	Closing net debt	(365,758)	(380,154)

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2011. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents rents receivable and associated income.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	50% straight line method
Fixtures, fittings & equipment	20% straight line method

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

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 applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 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 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies (continued)

1.8 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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

1.10 Repairs and maintenance

Expenditure on repairs and maintenance is charged to the profit and loss account on the basis of costs incurred.

1.11 Capital instruments

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments, other than equity shares, is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2011 £'000	2010 £'000
Operating profit is stated after charging		
Depreciation of tangible assets	50	46
Profit on disposal of tangible assets	1,203	659
Operating lease rentals		
- Plant and machinery	98	82
- Other assets	135	155
Auditors' remuneration		
- Audit work	33	33
- Accounts work	5	5
- Tax work	5	5

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

4	Interest payable	2011	2010
		£'000	£'000
	On bank loans and overdrafts	7,574	7,996
	On loans repayable after five years	23,832	12,310
	Amortisation of issue costs	(11,793)	231
		<u>19,613</u>	<u>20,537</u>
5	Taxation	2011	2010
		£'000	£'000
	Domestic current year tax		
	U K. corporation tax	1,738	(15)
	Total current tax	<u>1,738</u>	<u>(15)</u>
	Deferred tax		
	Deferred tax charge/credit current year	189	2,141
		<u>1,927</u>	<u>2,126</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	5,628	6,297
		<u>5,628</u>	<u>6,297</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2010 - 28.00%)	1,576	1,763
		<u>1,576</u>	<u>1,763</u>
	Effects of		
	Depreciation add back	24	9
	Capital allowances	(624)	(450)
	Chargeable disposals	(125)	4,720
	Other tax adjustments	887	(6,057)
		<u>162</u>	<u>(1,778)</u>
	Current tax charge for the year	<u>1,738</u>	<u>(15)</u>

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

6 Loss for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2011 £'000	2010 £'000
Holding company's loss for the financial year	(1,785)	(436)

7 Tangible fixed assets

Group

	Plant and machinery £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost or valuation			
At 1 April 2010	38	21	59
Additions	31	-	31
At 31 March 2011	67	21	87
Depreciation			
At 1 April 2010	34	13	47
Charge for the year	10	4	14
At 31 March 2011	42	17	58
Net book value			
At 31 March 2011	25	4	29
At 31 March 2010	4	8	12

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

8 Tangible fixed assets		
Investment properties	Group	Company
	£'000	£'000
Cost or valuation		
At 1 April 2010	504,556	-
Additions	265	-
Disposals	(2,238)	-
At 31 March 2011	502,583	-
Depreciation		
At 1 April 2010	195	-
Charge for the year	36	-
At 31 March 2011	231	-
Net book value		
At 31 March 2011	502,352	-
At 31 March 2010	504,361	-

The split of the buildings is as follows

	Freehold	Short	Long	Total
	£'000	Leasehold	Leasehold	£'000
Cost or valuation		£'000	£'000	
At 1 April 2010	495,906	765	7,885	504,556
Additions	265	-	-	265
Revaluation	-	-	-	-
Disposals	(2,238)	-	-	(2,238)
At 31 March 2011	493,933	765	7,885	502,583
Depreciation				
At 1 April 2010	-	195	-	195
Charge for the year	-	36	-	36
	-	231	-	231
Net book value				
At 31 March 2011	493,933	534	7,885	502,352
At 31 March 2010	495,906	570	7,885	504,361

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

8 Investment properties

(continued)

The property portfolio was revalued during the previous financial year by professionally qualified valuers Motcomb Estates Limited. The valuation was carried out in accordance with the RICS Appraisal and Valuation Manual. The directors consider the valuation to be valid at the balance sheet date.

Deferred taxation has not been provided on the revaluation surplus as there is no intention to dispose of the properties. The amount of deferred tax not provided on the revalued portfolio is estimated to be £45 million (2010: £43 million).

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments Group

	Listed investments £'000	Unlisted investments £'000	Total £'000
Cost or valuation			
At 1 April 2010	28,958	10,000	38,958
At 1 April 2010 & at 31 March 2011	28,958	10,000	38,958
Provisions for diminution in value			
At 1 April 2010	28,958	10,000	38,958
At 1 April 2010 & at 31 March 2011	28,958	10,000	38,958
Net book value			
At 31 March 2011	-	-	-
At 31 March 2010	-	-	-

	Listed investments £'000	Unlisted investments £'000	Shares in group undertakings £'000	Total £'000
Cost or valuation				
At 1 April 2010	28,958	10,000	151,700	190,658
Exchange differences	-	-	-	-
Additions	-	-	-	-
Revaluation	-	-	-	-
Disposals	-	-	-	-
At 1 April 2010 & at 31 March 2011	28,958	10,000	151,700	190,658
Provisions for diminution in value				
At 1 April 2010	28,958	10,000	151,700	190,658
Exchange differences	-	-	-	-
On disposals	-	-	-	-
Charge for the year	-	-	-	-
At 1 April 2010 & at 31 March 2011	28,958	10,000	151,700	190,658
Net book value				
At 31 March 2011	-	-	-	-
At 31 March 2010	-	-	-	-

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments (continued)

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Company	Shares in group undertakings £'000
Cost	
At 1 April 2010 & at 31 March 2011	151,700
Net book value	
At 31 March 2011	151,700
At 31 March 2010	151,700

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Wellington Investments Limited	England & Wales	Ordinary 'A' & 'B'	100
Criteron Asset Management Limited	England & Wales	Ordinary 'A' & 'B'	100
Wellington Pub Company Plc	England & Wales	Ordinary	100
Wellesley Capital Investment Limited	England & Wales	Ordinary	100
Merrymist Limited	England & Wales	Ordinary	99
Principal activity			
Criteron Asset Management Limited	Property management		
Wellington Pub Company Plc	Property investment		
Wellesley Capital Investment Limited	Property investment		
Merrymist Limited	Investment		

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

10 Debtors

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Trade debtors	3,065	3,801	-	115
Amounts owed by group undertakings	3,290	9,181	13,595	21,600
Other debtors	725	923	454	459
Prepayments and accrued income	1,014	338	475	-
	<u>8,094</u>	<u>14,243</u>	<u>14,524</u>	<u>22,174</u>

11 Cash at bank and in hand

Included in cash is £6 million held in a liquidity reserve account. This was set up as part of the bond issue and may be used in certain specific cases of fund deficiency for payments of interest on bond issue.

12 Creditors : amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Current installment due on bonds	5,918	5,661	-	-
Trade creditors	2,501	1,376	3	-
Amounts owed to group undertakings	(104)	104	2,714	3,045
Corporation tax	5,445	3,707	-	-
Taxes and social security costs	972	1,013	-	-
Other creditors	1,461	1,801	-	-
Accruals and deferred income	7,072	6,976	150	150
	<u>23,265</u>	<u>20,638</u>	<u>2,867</u>	<u>3,195</u>

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

13 Creditors : amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Analysis of loans				
Class A secured fixed rate bonds at 6.735%	130,457	134,067	-	-
Class B secured fixed rate bonds at 7.335%	36,720	38,760	-	-
Bank loans	223,332	232,512	223,332	232,512
	<u>390,509</u>	<u>405,339</u>	<u>223,332</u>	<u>232,512</u>
Included in current liabilities	(5,918)	(5,661)	-	-
	<u>384,591</u>	<u>399,678</u>	<u>223,332</u>	<u>232,512</u>
Loan maturity analysis				
In more than one year but not more than two years	6,029	6,029	-	-
In more than two years but not more than five years	21,860	19,820	-	-
In more than five years	360,693	377,820	223,332	232,512
	<u>388,582</u>	<u>403,669</u>	<u>223,332</u>	<u>232,512</u>
Less unamortised issue costs	(3,991)	(3,991)	-	-
	<u>384,591</u>	<u>399,678</u>	<u>223,332</u>	<u>232,512</u>

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

13 Creditors : amounts falling due after more than one year

(continued)

As security for the payment of all monies due and payable in respect of the Bonds under the trust deed, Wellington Pub Company Plc (the issuer) has entered into a Deed of Charge creating inter alia the following security

A first fixed charge by way of a mortgage of all estates and other interests of the issuer;

An assignment by way of fixed security of the issuer's right, title, interest and benefit in and to the rental income,

An assignment by way of fixed security of the issuer's right, title, interest and benefit in and to the Assigned Documents,

An assignment by way of first fixed security of the issuer's right title, interest and benefit in and to all amounts from time to time standing to the credit of the Bank Accounts,

A first floating charge over all the property, assets and undertakings of the issuer

On 2 March 1998, the company performed a bond issue for £231 million. The issue costs of are being amortised over the life of the bonds at a constant rate on the carrying amount

Interest and principal payments on the Class B bonds will be subordinated to such payments on the Class A bonds so that Class B Bondholders will not be entitled to receive any payment of interest or principal unless and until all amounts of interest due or overdue and principal then due to Class A Bondholders have been paid in full

During the period, the group repaid £3,610,840 (2010 - £3,490,880) of the Class A secured fixed rate bonds and £2,040,000 (2010 - £2,040,000) of the Class B secured fixed rate bonds

The bank loan is secured on certain of the group's investment properties

14 Provisions for liabilities Group

	Deferred taxation £'000
Balance at 1 April 2010	13,473
Profit and loss account	189
Balance at 31 March 2011	13,662

The deferred tax liability is made up as follows:

	Group 2011 £'000	2010 £'000	Company 2011 £'000	2010 £'000
Accelerated capital allowances	13,662	13,473	-	-

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

15 Pension and other post-retirement benefit commitments

Defined contribution

	2011 £'000	2010 £'000
Contributions payable by the group for the year	130	135

16 Share capital

	2011 £'000	2010 £'000
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

17 Statement of movements on reserves Group

	Revaluation reserve £'000	Profit and loss account £'000
Balance at 1 April 2010	46,074	63,932
Profit for the year	-	3,701
Transfer from revaluation reserve to profit and loss account	(409)	409
Balance at 31 March 2011	45,665	68,042

Company

	Profit and loss account £'000
Balance at 1 April 2010	(58,180)
Loss for the year	(1,785)
Balance at 31 March 2011	(59,965)

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

18 Reconciliation of movements in shareholders' funds	2011	2010
	£'000	£'000
Group		
Profit for the financial year	3,701	4,171
Opening shareholders' funds	110,007	105,835
	<u>113,708</u>	<u>110,006</u>
Closing shareholders' funds		
	<u>113,708</u>	<u>110,006</u>
Company	2011	2010
	£'000	£'000
Loss for the financial year	(1,785)	(436)
Opening shareholders' funds	(58,179)	(57,743)
	<u>(59,965)</u>	<u>(58,179)</u>
Closing shareholders' funds		
	<u>(59,965)</u>	<u>(58,179)</u>

19 Financial commitments

At 31 March 2011 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011	2010
	£'000	£'000
Expiry date.		
Between two and five years	30	30
	<u>30</u>	<u>30</u>

INVESTORS IN PRIVATE CAPITAL LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Administration	26	20
Employment costs	2011 £'000	2010 £'000
Wages and salaries	1,048	955
Social security costs	112	106
Other pension costs	130	135
	1,290	1,196

21 Control

The ultimate parent company is Landal Worldwide Corp, a company registered in the British Virgin Islands

22 Related party transactions

Group

Included in debtors are amounts due from Aldersgate Investments Limited and Colombina Properties Limited, the holding company and related company respectively, of £3,290,000 (2010: £9,181,000) and £450,000 (2010: £450,000). There are no specific terms of repayment or interest attached to these amounts.

Included within creditors is amount due to Aldersgate Investments Limited, the holding company for £nil (2010: £104,000). There are no specific terms of repayment or interest attached to this amount.

Included within the company's bank loans are amounts payable to TFB (Mortgages) Limited, a related company, of approximately £223 million (2010: £233 million). Interest is charged at varying rates above LIBOR.

The group's assets are subject to cross guarantees with other group members.