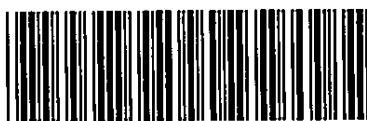


**KERRISON DEVELOPMENTS  
LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED**

**31 MAY 2010**

FRIDAY



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COMPANIES HOUSE

Company no 5211856

# KERRISON DEVELOPMENTS LIMITED

## FINANCIAL STATEMENTS

For the year ended 31 May 2010

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Company number	5211856
Registered office	Carrow Road Norwich NR1 1JE
Directors	M M Foulger D McNally
Secretary	S Gordon
Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Kingfisher House 1 Gilders Way St James Place Norwich NR3 1UB

# **KERRISON DEVELOPMENTS LIMITED**

## **FINANCIAL STATEMENTS**

For the year ended 31 May 2010

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# **KERRISON DEVELOPMENTS LIMITED**

## **REPORT OF THE DIRECTORS**

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The directors present their report and financial statements for the year ended 31 May 2010

### **Principal activities**

The principal activity of Kerrison Developments Limited is to hold shares in the joint venture company, Kerrison Hotel Limited

The principal activity of Kerrison Hotel Limited is to manage a hotel through a joint venture agreement with Estoril Properties Limited

### **Business review and future prospects**

The consolidated profit and loss account is set out on page 6 and the state of the group's affairs is shown in the balance sheet on page 7 The profit for the financial year is £153,079 (2009 £63,871)

The company will continue to hold its shares in the joint venture company for the year ended 31 May 2011

### **Directors**

The directors of the company who served during the year were

D McNally (appointed 2 July 2009)  
M M Foulger (appointed 2 July 2009)  
R J Munby (resigned 3 July 2009)  
N A Doncaster (resigned 3 July 2009)

### **Directors and officers liability insurance**

During the year the company maintained liability insurance for its directors and officers, as permitted by Section 233 of the Companies Act 2006

### **Statement of directors' responsibilities**

The directors are responsible for preparing the report of the directors 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 financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to give a true and fair view of the state of affairs of the group and parent company 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 judgments and estimates that are reasonable and prudent,
- 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 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

# KERRISON DEVELOPMENTS LIMITED

## REPORT OF THE DIRECTORS

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### Statement of directors' responsibilities (continued)

In so far as each of the directors is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditor in accordance with s485(4) of the Companies Act 2006

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD



S Gordon  
Secretary

30 NOVEMBER 2010



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF KERRISON DEVELOPMENTS LIMITED**

We have audited the financial statements of Kerrison Developments Limited for the year ended 31 May 2010 which comprise the principal accounting policies, the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated and company balance sheets 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).

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the statement of directors' responsibilities set out on pages 1 and 2, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2010 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 report of the directors 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 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.

**NIGEL SAVORY**  
**SENIOR STATUTORY AUDITOR**  
**FOR AND ON BEHALF OF GRANT THORNTON UK LLP**  
**STATUTORY AUDITOR, CHARTERED ACCOUNTANTS**

NORWICH

30 November 2010.

# **KERRISON DEVELOPMENTS LIMITED**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and under the historical cost convention, as modified by the revaluation of the investment property in the joint venture undertaking

The financial statements incorporate the financial results of Kerrison Developments Limited and its joint venture undertaking, Kerrison Hotel Limited

Joint ventures are accounted for in accordance with Financial Reporting Standard 9 Investments in joint venture companies are included in the financial statements using the gross equity method

The financial statements of Kerrison Hotel Limited are made up to 31 March 2010

A separate profit and loss account has not been included for Kerrison Developments Limited by virtue of Section 408 of the Companies Act 2006

### **GOING CONCERN**

The company and joint venture have generated sufficient financial resources from their activities to allow the directors to believe that the company and group is well placed to manage its business risks successfully in the current economic climate

Accordingly, the directors have a reasonable expectation that the company and group has adequate resources to continue in operational existence for the foreseeable future, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

### **CASH FLOW STATEMENT**

Under Financial Reporting Standard 1 (revised 1996), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary of a United Kingdom parent undertaking that prepares group financial statements

### **TURNOVER**

Turnover represents rents receivable from operating leases arising in the United Kingdom during the year excluding value added tax

### **TAXATION**

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes In accordance with Financial Reporting Standard 19, provision is made for deferred tax in respect of all timing differences that have originated but not reversed by the balance sheet date, except that deferred tax assets are only recognised to the extent that they are regarded as recoverable Deferred tax is not discounted

### **INVESTMENT PROPERTIES**

In accordance with Statement of Standard Accounting Practice 19

- (i) investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, and
- (ii) no depreciation or amortisation is provided in respect of freehold investment properties

Investment properties are stated at each period end at open market value as defined by the Assets Valuation Standards Committee of the Royal Institution of Chartered Surveyors A suitably qualified external valuer revalues properties annually Surpluses or deficits arising on revaluation are taken to the investment property revaluation reserve A permanent diminution in value of a property, arising on valuation or otherwise recognised, is charged to the profit and loss account to the extent that it is not covered by a surplus from prior year valuations of that property within the investment property revaluation reserve

## **KERRISON DEVELOPMENTS LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

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#### **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.



**KERRISON DEVELOPMENTS LIMITED****CONSOLIDATED PROFIT AND LOSS ACCOUNT**

For the year ended 31 May 2010

	Note	2010 £	2009 £
Turnover group and share of joint venture		289,320	272,064
Less share of joint venture turnover		(289,320)	(272,064)
<b>Group turnover</b>		-	-
Administration expenses		(1,015)	(1,215)
<b>Operating loss</b>	1	(1,015)	(1,215)
Share of operating profit in joint venture		234,279	253,901
<b>Operating profit including share of joint venture</b>		233,264	252,686
Interest receivable and similar income	2	127	24,759
Interest payable and similar charges	3	(80,312)	(213,574)
<b>Profit on ordinary activity before taxation</b>		153,079	63,871
Tax on profit on ordinary activity	4	-	-
<b>Profit for the financial year</b>	10	153,079	63,871

The above results relate to continuing activities

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

For the year ended 31 May 2010

		2010 £	2009 £
Profit for the financial year		153,079	63,871
Share of unrealised deficit on revaluation of investment property in joint venture	9	(150,000)	(1,022,581)
<b>Total recognised gains and losses relating to the year</b>		3,079	(958,710)

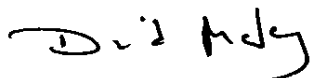
The accompanying accounting policies and notes form an integral part of these financial statements

**KERRISON DEVELOPMENTS LIMITED****CONSOLIDATED BALANCE SHEET AT 31 MAY 2010**

Company number 5211856

	Note	2010	2009
		£	£
<b>Investment - joint venture</b>			
- Share of gross assets		3,800,588	3,966,697
- Share of gross liabilities		(3,156,748)	(3,326,951)
	5	643,840	639,746
<b>Current assets</b>			
Debtors	6	1	1
Creditors: amounts falling due within one year	7	(5,432)	(4,417)
<b>Net current liabilities</b>		(5,431)	(4,416)
<b>Net assets</b>		638,409	635,330
<b>Capital and reserves</b>			
Called up equity share capital	8	1	1
Joint venture revaluation reserve	9	415,247	565,247
Profit and loss account	10	223,161	70,082
<b>Equity shareholder's funds</b>	11	638,409	635,330

The financial statements were approved by the board of directors and authorised for issue on 30 NOVEMBER 2010 and signed on its behalf by



D McNally Director

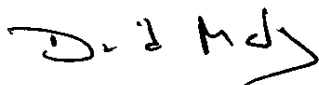
The accompanying accounting policies and notes form an integral part of these financial statements

**KERRISON DEVELOPMENTS LIMITED****COMPANY BALANCE SHEET AT 31 MAY 2010**

Company number 5211856

	Note	2010	2009
		£	£
<b>Fixed assets</b>			
Investments	5	2	2
		<u>2</u>	<u>2</u>
<b>Current assets</b>			
Debtors	6	1	1
Creditors: amounts falling due within one year	7	(5,432)	(4,417)
		<u>(5,431)</u>	<u>(4,416)</u>
<b>Net current liabilities</b>		<u>(5,431)</u>	<u>(4,416)</u>
<b>Net liabilities</b>		<u>(5,429)</u>	<u>(4,414)</u>
<b>Capital and reserves</b>			
Called up equity share capital	8	1	1
Profit and loss account	10	(5,430)	(4,415)
		<u>(5,429)</u>	<u>(4,414)</u>
<b>Equity shareholder's deficit</b>		<u>(5,429)</u>	<u>(4,414)</u>

The financial statements were approved by the board of directors and authorised for issue on *30 NOVEMBER 2010* and signed on its behalf by

**D McNally Director**

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

**KERRISON DEVELOPMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 May 2010

**1 OPERATING LOSS**

	2010 £	2009 £
Operating loss is stated after charging:		
Auditor's remuneration - audit of the financial statements	1,000	1,200
Directors' remuneration	-	-

**2 INTEREST RECEIVABLE AND SIMILAR INCOME**

	2010 £	2009 £
Share of joint venture		
Bank interest receivable	127	24,759

**3 INTEREST PAYABLE AND SIMILAR CHARGES**

	2010 £	2009 £
Share of joint venture		
Bank interest payable	80,312	213,574

**4 TAX ON PROFIT ON ORDINARY ACTIVITY****(a) Analysis of tax charge for the year:**

	2010 £	2009 £
Current year tax		
Corporation tax (note 4(b))	-	-

**(b) Factors affecting the tax charge for the year:**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 28%. The differences are explained below

	2010 £	2009 £
Profit on ordinary activity before taxation	153,079	63,871
Profit on ordinary activity multiplied by standard rate of corporation tax in the UK of 28% - expected charge	42,862	17,884
Effects of Losses surrendered from group undertakings	(42,862)	(17,884)
Current tax charge for year (note 4(a))	-	-

# KERRISON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2010

### 5 INVESTMENTS

	Interest in joint venture Group £	Company £
Valuation/cost		
At 1 June 2009	639,746	2
Share of joint venture profit	154,094	-
Share of joint venture revaluation	(150,000)	-
	<hr/>	<hr/>
At 31 May 2010	643,840	2
	<hr/>	<hr/>
Net book value at 31 May 2010	643,840	2
	<hr/>	<hr/>
Net book value at 31 May 2009	639,746	2
	<hr/>	<hr/>

The interest in the joint venture, Kerrison Hotel Limited, comprises £2 (2009 £2) of share capital and £643,838 (2009 £639,744) share of post acquisition profits and unrealised revaluation reserves of the company

The investment represents 100% of the issued "A" ordinary share capital of the joint venture. The company does not have any interest in the "B" ordinary share capital of the joint venture. In accordance with the joint venture agreement, the income and profits are apportioned between the "A" and "B" ordinary shareholders in the ratio of 30% and 70% respectively.

The principal activity of the joint venture company is to manage a hotel at Carrow Road, Norwich.

The group's share of the joint venturer's results, assets and liabilities comprise

	2010 £	2009 £
Turnover	289,320	272,064
	<hr/>	<hr/>
Profit before and after tax	154,094	65,086
	<hr/>	<hr/>
Fixed assets	3,600,000	3,750,000
Current assets	200,588	216,697
	<hr/>	<hr/>
	3,800,588	3,966,697
Liabilities due within one year	(3,156,748)	(3,326,951)
	<hr/>	<hr/>
Net assets	643,840	639,746
	<hr/>	<hr/>

### 6 DEBTORS

	2010 £	2009 £
Group and company		
Called up equity share capital not paid	1	1
	<hr/>	<hr/>

**KERRISON DEVELOPMENTS LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 May 2010

**7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
<b>Group and company</b>		
Amount owed to joint venture undertaking	2	2
Amount owed to parent undertaking	2,030	2,015
Accruals	3,400	2,400
	<u>5,432</u>	<u>4,417</u>

**8 CALLED UP EQUITY SHARE CAPITAL**

	2010 £	2009 £
<b>Authorised</b>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<b>Allotted, called up and unpaid</b>		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

**9 REVALUATION RESERVE**

	Group £	Company £
Balance at 1 June 2009	565,247	-
Share of unrealised deficit on revaluation of investment property in joint venture	(150,000)	-
	<u>415,247</u>	<u>-</u>

**10 PROFIT AND LOSS ACCOUNT**

	Group £	Company £
Balance at 1 June 2009	70,082	(4,415)
Profit/(loss) for the financial year	153,079	(1,015)
	<u>223,161</u>	<u>(5,430)</u>

# KERRISON DEVELOPMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2010

### 11 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDER'S FUNDS

	2010 £	2009 £
<b>Group</b>		
Profit for the financial year	153,079	63,871
Share of joint venture deficit on revaluation	(150,000)	(1,022,581)
Net movement in equity shareholder's funds	3,079	(958,710)
Equity shareholder's funds at 1 June 2009	635,330	1,594,040
Equity shareholder's funds at 31 May 2010	638,409	635,330

### 12 RELATED PARTY TRANSACTIONS AND CONTROL

The company is a wholly owned subsidiary undertaking of Norwich City Football Club PLC

At 31 May 2010 Ms D A Smith and Mr E M S Wynn Jones owned 61.1% (2009 61.2%) of the issued share capital of Norwich City Football Club PLC. In accordance with Financial Reporting Standard 8, the board have concluded that ultimate control of the company vests with these related parties.

In accordance with the exemption available under paragraph 3(c) of Financial Reporting Standard 8, transactions with entities that are part of the Norwich City Football Club PLC group are not disclosed.

Norwich City Football Club PLC owed Kerrison Hotel Limited £69,000 (31 May 2009 £69,000) at 31 May 2010 in respect of the construction of the hotel and was owed £15,203 (31 May 2009 £32,663) at 31 May 2010 in respect of trading activities. Interest of £423 (31 May 2009 £Nil) was accrued on the outstanding amount owed to Kerrison Hotel Limited.

Kerrison Developments Limited owes Kerrison Hotel Limited £2 (2009 £2), being the called up share capital not paid on the 'A' ordinary shares of Kerrison Hotel Limited.