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**LANCER PROPERTY HOLDINGS LTD**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2012**

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## LANCER PROPERTY HOLDINGS LTD

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### COMPANY INFORMATION

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<b>DIRECTORS</b>	A J W Lax J T Kevill D R Ferguson B H Pull FCMA FStratPS CGMA
<b>COMPANY SECRETARY</b>	D R Ferguson
<b>REGISTERED NUMBER</b>	05700194 (England and Wales)
<b>REGISTERED OFFICE</b>	Power House Harrison Close Knowlhill Milton Keynes MK5 8PA
<b>TRADING ADDRESS</b>	36 Berkeley Square London W1J 5AE
<b>INDEPENDENT AUDITORS</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>SOLICITORS</b>	Kimbells Freeth LLP Power House Harrison Close Knowlhill Milton Keynes MK5 8PA

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**LANCER PROPERTY HOLDINGS LTD**

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## **LANCER PROPERTY HOLDINGS LTD**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2012**

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The Directors present their report and the financial statements for the Year ended 30 April 2012

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 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 judgments and accounting estimates that are reasonable and prudent,
- 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.

#### **PRINCIPAL ACTIVITIES**

The Principal activity of the Group and the Company was that of property asset management, investment in properties and realisation of rental income.

#### **BUSINESS REVIEW**

The Directors are pleased with the performance of the Group, which operates a number of Companies mainly in the property sector, in asset management, property ownership, and investment.

#### **RESULTS**

The profit for the Year, after taxation, amounted to £1,834,491 (2011 - £229,844)

#### **DIRECTORS**

The Directors who served during the Year were

A J W Lax  
J T Kevill  
D R Ferguson  
B H Pull FCMA FStratPS CGMA

#### **POLITICAL AND CHARITABLE CONTRIBUTIONS**

There were no political or charitable contributions during the year.

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## **LANCER PROPERTY HOLDINGS LTD**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2012**

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#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the Group, and the execution of the strategy, are subject to a number of risks and uncertainties. The Board regularly reviews business risks, and appropriate actions are taken to monitor and mitigate them. The key business risks are identified below.

##### **Risk 1**

**Supply Chain** - The business relies heavily on sub-contractors to complete work required by the Group, and their availability, performance and financial stability is important. To mitigate this risk, regular checks are performed on the sub-contractors, particularly in the present economic climate with respect to their financial stability, and the availability of alternate suppliers.

##### **Risk 2**

**Margin Control** - Gross margin both in value and as a percentage to sales, is critical to the Group, and the Directors review margins and take action on a regular basis using the internal controls developed for that purpose.

#### **FUTURE DEVELOPMENTS**

The Directors expect the Group will develop further during the coming year as it makes progress with new opportunities within its core competencies.

Subject to unforeseen circumstances, the Directors are confident about the current year, and expect the present level of performance to be maintained.

#### **FINANCIAL INSTRUMENTS**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

#### **PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that

- so far as that Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company and the Group's auditors in connection with preparing their report and to establish that the Company and the Group's auditors are aware of that information.

#### **AUDITORS**

Under section 487(2) of the Companies Act 2006, Buzzacott LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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**LANCER PROPERTY HOLDINGS LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 APRIL 2012**

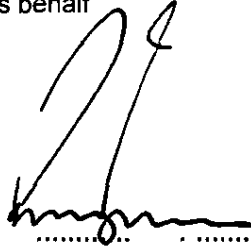
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This report was approved by the board and signed on its behalf



**J T Kevill**  
Director

Date 31 January 2013



**D R Ferguson**  
Director

Date 31 January 2013

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## **LANCER PROPERTY HOLDINGS LTD**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LANCER PROPERTY HOLDINGS LTD**

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We have audited the financial statements of Lancer Property Holdings Ltd for the Year ended 30 April 2012, which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Total Recognised Gains and Losses 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 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 to them 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, 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.

#### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

#### **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 30 April 2012 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.

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**LANCER PROPERTY HOLDINGS LTD**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LANCER PROPERTY HOLDINGS LTD**

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**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

A handwritten signature in black ink, appearing to read 'David Jarman', followed by 'LLP.'.

David Jarman (Senior Statutory Auditor)

for and on behalf of  
**Buzzacott LLP**

130 Wood Street  
London  
EC2V 6DL

31 January 2013



**LANCER PROPERTY HOLDINGS LTD**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 APRIL 2012**

	Note	2012 £	2011 £
<b>TURNOVER</b>			
Group and share of joint venture's turnover		8,464,389	7,393,993
Less share of joint venture's turnover		(459,355)	(298,282)
Group turnover	1,2	8,005,034	7,095,711
Cost of sales		(3,064,581)	(3,316,215)
<b>GROSS PROFIT</b>		4,940,453	3,779,496
Administrative expenses		(2,646,211)	(3,365,274)
Other operating income		86,961	44,215
Other operating charges		-	(1,045)
<b>OPERATING PROFIT</b>	3	2,381,203	457,392
Share of operating profit/(loss) in joint ventures		142,261	(12,647)
<b>TOTAL OPERATING PROFIT</b>		2,523,464	444,745
Profit on disposal of investments		59,492	-
Interest receivable and similar income		9,144	3,830
Interest payable and similar charges	6	(95,438)	(105,304)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		2,496,662	343,271
Tax on profit on ordinary activities	7	(662,171)	(113,427)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	16	1,834,491	229,844

All amounts relate to continuing operations

The notes on pages 12 to 25 form part of these financial statements

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**LANCER PROPERTY HOLDINGS LTD**

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**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 30 APRIL 2012**

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	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>1,834,491</b>	<b>229,844</b>
Share of unrealised surplus on Investment revaluation reserve of Joint Venture	<b>1,040</b>	<b>6,427</b>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>1,835,531</b>	<b>236,271</b>

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the financial Year stated above and their historical cost equivalents

The notes on pages 12 to 25 form part of these financial statements

**LANCER PROPERTY HOLDINGS LTD**  
**REGISTERED NUMBER: 05700194 (ENGLAND AND WALES)**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 APRIL 2012**

	Note	£	2012 £	£	2011 £
<b>FIXED ASSETS</b>					
Tangible assets	8		39,970		49,877
Investment property	9		2,667,089		2,667,089
Investments	10		-		254,999
Investments in joint ventures					
-Share of gross assets		383,867		401,766	
-Share of gross liabilities		(103,146)		(229,262)	
Share of net assets	10		280,721		172,504
			2,987,780		3,144,469
<b>CURRENT ASSETS</b>					
Debtors	11	4,046,295		4,610,442	
Cash at bank		3,332,794		1,272,122	
		7,379,089		5,882,564	
<b>CREDITORS:</b> amounts falling due within one year	12	(4,372,799)		(3,984,767)	
<b>NET CURRENT ASSETS</b>			3,006,290		1,897,797
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,994,070		5,042,266
<b>CREDITORS:</b> amounts falling due after more than one year	13		-		(882,000)
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	14		-		(1,727)
<b>NET ASSETS</b>			5,994,070		4,158,539
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		106		106
Share premium account	16		19,995		19,995
Revaluation reserve	16		12,173		11,133
Profit and loss account	16		5,961,796		4,127,305
<b>SHAREHOLDERS' FUNDS</b>	17		5,994,070		4,158,539

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**LANCER PROPERTY HOLDINGS LTD**


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**CONSOLIDATED BALANCE SHEET (continued)  
AS AT 30 APRIL 2012**

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

  
.....  
**J T Kevill**  
Director

  
.....  
**B H Pull FCMA FStratPS CGMA**  
Director

Date 31 January 2013

The notes on pages 12 to 25 form part of these financial statements

**LANCER PROPERTY HOLDINGS LTD**  
**REGISTERED NUMBER. 05700194 (ENGLAND AND WALES)**


**COMPANY BALANCE SHEET**  
**AS AT 30 APRIL 2012**

	Note	£	2012 £	£	2011 £
<b>FIXED ASSETS</b>					
Tangible assets	8		19,542		4,934
Investments	10		7,901		7,901
			<u>27,443</u>		<u>12,835</u>
<b>CURRENT ASSETS</b>					
Debtors	11	3,121,562		2,893,961	
Cash at bank		<u>248,148</u>		<u>1,496</u>	
		3,369,710		2,895,457	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(40,854)</u>		<u>(25,486)</u>	
<b>NET CURRENT ASSETS</b>			<u>3,328,856</u>		<u>2,869,971</u>
<b>NET ASSETS</b>			<u><u>3,356,299</u></u>		<u><u>2,882,806</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		106		106
Share premium account	16		19,994		19,994
Profit and loss account	16		<u>3,336,199</u>		<u>2,862,706</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u><u>3,356,299</u></u>		<u><u>2,882,806</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 January 2013

.....  .....

**J T Kevill**  
Director

.....  .....

**B H Pull FCMA FStratPS CGMA**  
Director

The notes on pages 12 to 25 form part of these financial statements

**LANCER PROPERTY HOLDINGS LTD**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 APRIL 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	18	2,446,611	(1,085,444)
Returns on investments and servicing of finance	19	(90,066)	(101,175)
Taxation		(79,711)	(515,123)
Capital expenditure and financial investment	19	293,463	1,747,708
<b>CASH INFLOW BEFORE FINANCING</b>		<b>2,570,297</b>	<b>45,966</b>
Financing	19	(509,625)	-
<b>INCREASE IN CASH IN THE YEAR</b>		<b>2,060,672</b>	<b>45,966</b>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE YEAR ENDED 30 APRIL 2012**

	2012 £	2011 £
Increase in cash in the Year	2,060,672	45,966
Cash outflow from decrease in debt and lease financing	509,625	-
<b>MOVEMENT IN NET DEBT IN THE YEAR</b>	<b>2,570,297</b>	<b>45,966</b>
Net debt at 1 May 2011	(484,878)	(530,844)
<b>NET FUNDS/(DEBT) AT 30 APRIL 2012</b>	<b>2,085,419</b>	<b>(484,878)</b>

The notes on pages 12 to 25 form part of these financial statements

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## LANCER PROPERTY HOLDINGS LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain investments and in accordance with applicable accounting standards

##### 1.2 Basis of consolidation

The financial statements consolidate the accounts of Lancer Property Holdings Ltd and all of its subsidiary undertakings ('subsidiaries')

##### 1.3 Turnover

Turnover comprises revenue recognised by the Company in respect of goods and services supplied during the Year, exclusive of Value Added Tax and trade discounts

##### 1.4 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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	Nil
L/Term Leasehold Property	-	25% - 30% Straight Line
Fixtures and fittings	-	25% Straight Line
Office equipment	-	33% Straight Line
Computer equipment	-	33% Written Down Value

##### 1.5 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15, the Company has elected not to adopt a policy of revaluation of tangible fixed assets. The Company will retain the book value of land and buildings, previously revalued at 30 April 2012 and will not update that valuation

##### 1.6 Investments

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment
- (ii) **Joint venture undertakings**  
Investments in joint ventures are stated at the Company's share of net assets. The Company's share of the profits or losses of the joint ventures is included in the Profit and Loss Account using the equity accounting basis
- (iii) **Other investments**  
Investments held as fixed assets are shown at cost less provision for impairment

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## LANCER PROPERTY HOLDINGS LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

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#### 1. ACCOUNTING POLICIES (continued)

##### 1.7 Investment properties

Investment properties are included in the Balance Sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the Directors, necessary in order to give a true and fair view of the financial position of the Company and the Group.

##### 1.8 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### 1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

##### 1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

##### 1.11 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the Year.



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**LANCER PROPERTY HOLDINGS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

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**2. TURNOVER**

The whole of the turnover is attributable to services and goods supplied by the various Companies in the Group

All turnover arose within the United Kingdom

**3. OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the group	30,356	31,583
Auditors' remuneration	3,600	3,500
Auditors' remuneration - non-audit	19,250	20,500
Difference on foreign exchange	264	(521)
Operating lease charge - land and building	111,065	111,065

**4. STAFF COSTS**

Staff costs, including Directors' remuneration, were as follows

	2012 £	2011 £
Wages and salaries	1,212,674	1,355,131
Social security costs	131,324	166,260
Other pension costs	86,472	237,498
	1,430,470	1,758,889

The average monthly number of employees, including the Directors, during the Year was as follows

	2012 No.	2011 No
Directors	4	4
Surveyors	5	5
Administration	3	3
	12	12

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

**5. DIRECTORS' REMUNERATION**

	2012 £	2011 £
Emoluments	<u>398,223</u>	<u>651,011</u>
Company pension contributions to defined contribution pension schemes	<u>32,557</u>	<u>200,485</u>
Amounts paid to third parties for directors' remuneration services	<u>666,001</u>	<u>231,254</u>
The highest paid Director received remuneration of £223,014 (2011 - £258,306)		

**6. INTEREST PAYABLE**

	2012 £	2011 £
On bank loans and overdrafts	95,434	105,304
Other interest payable	4	-
	<u>95,438</u>	<u>105,304</u>

**7. TAXATION**

	2012 £	2011 £
<b>Analysis of tax charge in the Year/year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the Year/year	630,377	96,888
Adjustments in respect of prior periods	(1,928)	3,635
	<u>628,449</u>	<u>100,523</u>
Group taxation relief	-	15,573
	<u>628,449</u>	<u>116,096</u>
Share of joint ventures' current tax	38,855	(911)
<b>Total current tax</b>	<u>667,304</u>	<u>115,185</u>
<b>Deferred tax</b> (see note 14)		
Short term timing difference	(5,133)	(1,758)
<b>Tax on profit on ordinary activities</b>	<u>662,171</u>	<u>113,427</u>

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LANCER PROPERTY HOLDINGS LTD

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012

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7. TAXATION (continued)

**Factors affecting tax charge for the Year/year**

The tax assessed for the Year/year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24% (2011 - 26%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	2,496,662	343,271
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2011 - 26%)	599,199	89,246
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	23,915	26,358
Capital allowances for Year/year in excess of depreciation	(17,923)	(15,092)
Utilisation of tax losses	-	(4,326)
Adjustments to tax charge in respect of prior periods	(1,928)	3,635
Other timing differences leading to an increase (decrease) in taxation	-	3,912
Dividends from UK companies	120,000	-
Other differences leading to an increase (decrease) in the tax charge	(11,421)	15,817
Group relief	-	(4,365)
Composite effective tax rate	(44,538)	-
<b>Current tax charge for the Year/year (see note above)</b>	<b>667,304</b>	<b>115,185</b>

**Factors that may affect future tax charges**

There are no factors of which the Directors are aware that may affect tax charges

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

**8. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 May 2011	200,322	33,103	233,425
Additions	9,850	10,599	20,449
At 30 April 2012	210,172	43,702	253,874
<b>Depreciation</b>			
At 1 May 2011	153,955	29,593	183,548
Charge for the Year	25,939	4,417	30,356
At 30 April 2012	179,894	34,010	213,904
<b>Net book value</b>			
At 30 April 2012	30,278	9,692	39,970
At 30 April 2011	46,367	3,510	49,877

Cost or valuation at 30 April 2012 is as follows

<b>Company</b>	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 May 2011	102,264	33,103	135,367
Additions	9,850	10,599	20,449
At 30 April 2012	112,114	43,702	155,816
<b>Depreciation</b>			
At 1 May 2011	100,840	29,593	130,433
Charge for the Year	1,424	4,417	5,841
At 30 April 2012	102,264	34,010	136,274
<b>Net book value</b>			
At 30 April 2012	9,850	9,692	19,542
At 30 April 2011	1,424	3,510	4,934

Cost or valuation at 30 April 2012 is as follows

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

**9. INVESTMENT PROPERTY**

<b>Group</b>	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 May 2011 and 30 April 2012	<b>2,667,089</b>
The 2012 valuations were made by the Directors, on an open market value for existing use basis	

**10. FIXED ASSET INVESTMENTS**

<b>Group</b>	<b>Unlisted investments £</b>	<b>Investment in joint ventures £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 May 2011	<b>355,000</b>	<b>172,503</b>	<b>527,503</b>
Disposals	<b>(255,000)</b>	<b>-</b>	<b>(255,000)</b>
Share of profit/(loss)	<b>-</b>	<b>108,218</b>	<b>108,218</b>
At 30 April 2012	<b>100,000</b>	<b>280,721</b>	<b>380,721</b>
<b>Impairment</b>			
At 1 May 2011 and 30 April 2012	<b>100,000</b>	<b>-</b>	<b>100,000</b>
<b>Net book value</b>			
At 30 April 2012	<b>-</b>	<b>280,721</b>	<b>280,721</b>
At 30 April 2011	<b>255,000</b>	<b>172,503</b>	<b>427,503</b>

<b>Company</b>	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 May 2011 and 30 April 2012	<b>7,901</b>
<b>Net book value</b>	
At 30 April 2012	<b>7,901</b>
At 30 April 2011	<b>7,901</b>

Details of the principal subsidiaries and joint ventures can be found under note number 26

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**11. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>				
Other debtors	6,723	13,525	-	-
<b>Due within one year</b>				
Trade debtors	1,721,402	2,678,053	720	-
Amounts owed by group undertakings	43,828	294,721	3,114,480	2,891,012
Amounts owed by undertakings in which the company has a participating interest	1,982,329	1,358,070	-	-
Other debtors	132,150	170,876	5,012	2,949
Prepayments and accrued income	156,457	95,197	1,350	-
Deferred tax asset (see note 14)	3,406	-	-	-
	<b>4,046,295</b>	<b>4,610,442</b>	<b>3,121,562</b>	<b>2,893,961</b>

**12. CREDITORS:  
Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	1,247,375	875,000	-	-
Payments received on account	979	979	-	-
Trade creditors	369,485	301,777	-	10,281
Amounts owed to group undertakings	1	191,331	1,201	1,201
Amounts owed to other participating interest	-	322,214	-	-
Corporation tax	630,323	79,365	353	-
Social security and other taxes	640,819	572,468	-	-
Other creditors	113,990	15,802	-	-
Accruals and deferred income	1,369,827	1,625,831	39,300	14,004
	<b>4,372,799</b>	<b>3,984,767</b>	<b>40,854</b>	<b>25,486</b>

**13. CREDITORS:  
Amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	-	882,000	-	-

**LANCER PROPERTY HOLDINGS LTD**

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**13. CREDITORS:**

**Amounts falling due after more than one year (continued)**

The Group entered into Interest Rate SWAP Agreements, with a notional value of £1,350,000, in order to protect the interest rate risk on tech bank loans. If these agreements were terminated at 30th April 2012, the Group would be required to pay an amount of £36,000 to discharge this liability.

**14. DEFERRED TAXATION**

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At beginning of Year/year	(1,727)	(1,353)	-	-
Released during/(charge for) the Year	5,133	(374)	-	-
At end of Year/year	<b>3,406</b>	<b>(1,727)</b>	<b>-</b>	<b>-</b>

The deferred taxation balance is made up as follows

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Short term timing difference	3,406	1,727	-	-

**15. SHARE CAPITAL**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
1,058,825 "A" Shares shares of £0.0001 each	<b>106</b>	<b>106</b>

**16. RESERVES**

<b>Group</b>	<b>Share premium account</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 May 2011	19,995	11,133	4,127,305
Profit for the Year			1,834,491
Surplus on revaluation of other fixed assets		1,040	
At 30 April 2012	<b>19,995</b>	<b>12,173</b>	<b>5,961,796</b>

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

**16. RESERVES (continued)**

<b>Company</b>	<b>Share premium account £</b>	<b>Profit and loss account £</b>
At 1 May 2011	19,994	2,862,706
Profit for the Year		473,493
	<u>19,994</u>	<u>3,336,199</u>
At 30 April 2012		

**17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

<b>Group</b>	<b>2012 £</b>	<b>2011 £</b>
Opening shareholders' funds	4,158,539	3,922,267
Profit for the Year/year	1,834,491	229,844
Share premium on shares issued (net of expenses)	-	1
Share of unrealised surplus on Investment of revaluation reserve of Joint Venture	1,040	6,427
	<u>5,994,070</u>	<u>4,158,539</u>
Closing shareholders' funds		

<b>Company</b>	<b>2012 £</b>	<b>2011 £</b>
Opening shareholders' funds	2,882,806	1,461,706
Profit for the Year/year	473,493	1,421,100
	<u>3,356,299</u>	<u>2,882,806</u>
Closing shareholders' funds		

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account

The profit for the Year/year dealt with in the accounts of the Company was £473,493 (2011 - £1,421,100)



**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**18 NET CASH FLOW FROM OPERATING ACTIVITIES**

	2012 £	2011 £
Operating profit	2,381,203	457,392
Depreciation of tangible fixed assets	30,356	31,583
Loss on disposal of tangible fixed assets	580	-
Decrease in debtors	557,950	480,039
Decrease in creditors	(523,478)	(2,053,138)
Prior year adjustment to share of (profit)/loss from joint venture b/fwd	-	(1,320)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,446,611</b>	<b>(1,085,444)</b>

**19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2012 £	2011 £
<b>Returns on investments and servicing of finance</b>		
Interest received	5,372	4,130
Interest paid	(95,438)	(105,305)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(90,066)</b>	<b>(101,175)</b>

	2012 £	2011 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(20,449)	(255,877)
Sale of tangible fixed assets	(580)	-
Sale of investment properties	-	2,003,585
Sale of unlisted and other investments	314,492	-
<b>Net cash inflow from capital expenditure</b>	<b>293,463</b>	<b>1,747,708</b>

	2012 £	2011 £
<b>Financing</b>		
Repayment of loans	(509,625)	-

**LANCER PROPERTY HOLDINGS LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2012**

**20. ANALYSIS OF CHANGES IN NET DEBT**

	1 May 2011 £	Cash flow £	Other non-cash changes £	30 April 2012 £
Cash at bank and in hand	1,272,122	2,060,672	-	3,332,794
<b>Debt:</b>				
Debts due within one year	(875,000)	509,625	(882,000)	(1,247,375)
Debts falling due after more than one year	(882,000)	-	882,000	-
<b>Net debt</b>	<b>(484,878)</b>	<b>2,570,297</b>	<b>-</b>	<b>2,085,419</b>

**21. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the company to the fund and amounted to £106,211 (2011 - £262,180). At 30 April 2012 pension costs payable amount to £15,092 (2011 - £11,553).

**22. OPERATING LEASE COMMITMENTS**

At 30 April 2012 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
<b>Group</b>				
<b>Expiry date:</b>				
Between 2 and 5 years	111,065	111,065	-	-

**23. RELATED PARTY TRANSACTIONS**

Mr A J W Lax, Mr J T Kevill, Mr P B Shaw, and Mr P J D O'Keeffe are shareholders in Lancer Property Holdings Limited, and are shareholders in GVA Grimley during the year.

Lancer Property Holdings Limited owns 50% of the voting rights in Lancer Asset Management (Investments) Limited, which in turn owns 87.5% of the voting rights in Nightingale Partners Ltd, and 100% of the voting rights of Nightingale Capital Partners Limited and Knightsbridge Central (5) Ltd.

Knightsbridge Central (4) Ltd, is a related party by virtue of being a partner in Bullfrog Partnership LLP, Bullfrog Partnership Residential LLP, and Bullfrog Partnership (Two) LLP, and has a 1% ownership, and a 99% entitlement to the profits/losses.

	2012 £	2011 £
During the Year the Group was charged by GVA Grimley in respect of professional services	934,251	1,245,709

# **LANCER PROPERTY HOLDINGS LTD**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012**

### **23 RELATED PARTY TRANSACTIONS (continued)**

At 30th April 2012, the Group owed to GVA Grimley	<b>131,177</b>	502,214
During the Year, the Group provided a working capital loan to Lancer Asset Management Investments Ltd of	-	109,122
During the Year Lancer Asset Management Investments Ltd repaid Lancer Property Holdings Ltd	<b>(67,350)</b>	-
At 30th April 2012, the Group was owed by Lancer Asset Management Investments Ltd	<b>41,772</b>	109,272
During the Year the Group was charged by Nightingale Partners Ltd in respect of goods and services provided	<b>22,760</b>	77,500
At the 30th April 2012 the Group owed Nightingale Partners Ltd	-	9,300
During the Year the Group was entitled to its share of profits / (losses) from the Bullfrog Partnership LLP of	<b>45,675</b>	38,733
During the Year the Group received its share of Profits from the Bullfrog Partnership LLP	<b>(38,733)</b>	-
During the year the Group paid its share of losses (2010) to the Bullfrog Partnership	<b>28,047</b>	-
At 30th April 2012 the balance owed by the Group to Bullfrog Partnership LLP re attributed profit / (loss) was	<b>45,675</b>	10,686
During the Year the Group advanced a loan to the Bullfrog Partnership LLP of	<b>60,000</b>	1,220,000
During the Year the Group advanced additional / (had refunded) funds to the Bullfrog Partnership of	<b>(20,009)</b>	157,053
At 30th April 2012 the balance owed to the Group, by the Bullfrog Partnership LLP before the current years profit / loss allocation is	<b>810,947</b>	750,947
During the Year the Group was entitled to its share of profits / (losses) from the Bullfrog Partnership Residential LLP of	<b>14,612</b>	10,086
During the Year the Group received its share of Profits from the Bullfrog Partnership Residential LLP	<b>(10,086)</b>	-
At 30th April 2012 the balance owed to the Group by Bullfrog Partnership Residential LLP was	-	10,086
During the Year the Group advanced additional funds to the Bullfrog Partnership Residential LLP of	-	243,106
At 30th April 2012 the balance owed to the Group, by the Bullfrog Partnership Residential LLP before the current years profit / loss allocation is	<b>243,106</b>	243,106
During the Year the Group was entitled to its share of profits / (losses) from the Bullfrog Partnership (Two) LLP of	<b>26,674</b>	(4,604)
During the Year the Group received its share of Profits from the Bullfrog Partnership (Two) LLP	<b>4,604</b>	-
At 30th April 2012 the balance of profits / (losses) owed by the Group by Bullfrog Partnership (Two) LLP was	<b>26,674</b>	(4,604)
9300	<b>(5,840)</b>	-
During the Year the Group advanced additional funds to the Bullfrog Partnership (Two) LLP of	<b>519,315</b>	327,840
At 30th April 2012 the balance owed to the Group, by the Bullfrog Partnership (Two) LLP before the current years profit / loss allocation is	<b>841,315</b>	327,840

The Group has taken advantage of the exemptions offered under the Financial Reporting Standard from disclosing transactions and balances with entities, whose shares are 100% controlled within the Group

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## LANCER PROPERTY HOLDINGS LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2012

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#### 24. POST BALANCE SHEET EVENTS

Subsequent to the year end, the Group has entered into discussions regarding the restructuring of Lancer Property Asset Management Ltd's revenue agreement. The nature and amounts have not been disclosed for commercial reasons.

#### 25. CONTROLLING PARTY

In the opinion of the Directors, there is no controlling party during the two years ended 30th April 2012.

#### 26. PRINCIPAL SUBSIDIARIES AND JOINT VENTURES

##### a. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Lancer Property Asset Management Ltd	England	100	Subsidiary
Lancer Project Management Ltd	England	100	Subsidiary
Knightsbridge Central (1) Ltd	England	100	Subsidiary
Mayfair Central Ltd	England	100	Subsidiary
Knightsbridge Central (4) Ltd	England	100	Subsidiary
Berkeley Square Holdings Ltd	England	100	Subsidiary
Knightsbridge Central (7) Ltd	England	100	Subsidiary
Knightsbridge Central (8) Ltd	England	100	Subsidiary
Nightingale Capital Partners Ltd	England	50	Subsidiary of Joint Venture
Nightingale Partners Ltd	England	43.75	Subsidiary of Joint Venture
Knightsbridge Central (5) Ltd	England	50	Subsidiary of Joint Venture

##### b. Principal joint ventures

Company name	Country	Percentage Shareholding	Description
Lancer Asset Management Investments Ltd	England	50	Joint Venture