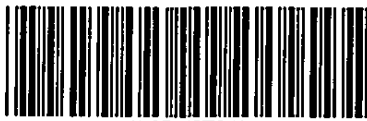


Registered number 05700194

LANCER PROPERTY HOLDINGS LIMITED
DIRECTORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS

30 April 2010

WEDNESDAY



L8DU9T24

LD2 06/04/2011 73
COMPANIES HOUSE

Lancer Property Holdings Limited

Contents

	<u>Page</u>
Company Information	1
Directors' Report	2 - 3
Statement of Directors Responsibilities	4
Independent Auditors' Report	5
Consolidated Profit and Loss Account	6
Consolidated Statement of Total Recognised Gains and Losses	7
Consolidated Balance Sheet	8
Company Balance Sheet	9
Consolidated Cash Flow Statement and notes	11
Notes to the Financial Statements	12 - 23

Lancer Property Holdings Limited**Company Information****Directors**

A J Lax
B H Pull
D R Ferguson
J T Kevill

Secretary

D R Ferguson

Company Number

05700194

Registered Office

8 Baden Place
Crosby Row
London
SE1 1YW

Auditors

Moore Stephens LLP
Statutory Auditors & Chartered Accountants
Beaufort House
94-96 Newhall Street
Birmingham
B3 1PB

Bankers

Bank of Scotland
135 Bishop Gate
London
EC2M 3UR

Solicitors

Kimbells LLP
Power House
Harrison Close
Knowlhill
Milton Keynes
MK5 8PA

Lancer Property Holdings Limited**Directors' Report****For the year ended 30 April 2010**

The directors present their report and the financial statements of Lancer Property Holdings Limited (company registration number 05700194) for the year ended 30 April 2010

Principal Activities

The principal activity of the group and the company during the year was that of property asset management, investment in properties and realisation of rental income

Performance During the Year

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

The results for the Group for the year show a pre tax profit of £2,199,622 (2009 £1,857,137), and sales of £8,707,840 (2009 £8,838,393) Net cash inflow from operating activities for the year was £1,786,406 (2009 £786,851)

Future Outlook

It is anticipated that 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

Principal Risk 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

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

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

Strategy

The Group Strategy is to grow organically using the concept of Strategic Business Units, in a market area, which is primarily, but not exclusively within the Property Sector

Within this overall framework, the Group currently has three main activities, Asset Management, Property Holding, and Investment The growth of the group is planned to invest in the most profitable of the activities that present themselves

Key Performance Indicators

Given that all the directors and the majority of the shareholders are involved in the day-to-day activities of the businesses, the directors are of the opinion that the disclosure of KPI's is not necessary for an understanding of the development, performance, or position of the Group

Lancer Property Holdings Limited**Directors' Report (continued)****For the year ended 30 April 2010****Directors**

The directors who served during the year were

A J Lax
B H Pull
D R Ferguson
J T Kevill

Provision of Information to Auditors

So far each of the directors are aware at the time the report is approved

there is no relevant audit information of which the company's auditors are 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 auditors are aware of
that information

Auditors

The auditors, Moore Stephens LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 29 3 2011 and signed on its behalf by



B H Pull
Director

Lancer Property Holdings Limited**Statement of Directors' Responsibilities****For the year ended 30 April 2010**

The directors are responsible for preparing the annual 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). The financial statements are required by law to 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 judgements 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 proper accounting records that 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of Lancer Property Holdings Limited

We have audited the financial statements of Lancer Property Holdings Limited for the year ended 30 April 2010 which are 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 Sections 495 - 496 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 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 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 page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 Boards (APB'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 parent 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 the parent company's affairs as at 30 April 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(s) prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

adequate accounting records have not been kept 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.

Beaufort House
94-96 Newhall Street
Birmingham
West Midlands
B3 1PB

Date

31 March 2011


Shokat Zaman (Senior Statutory Auditor)
For and on behalf of
Moore Stephens LLP
Statutory Auditor

Lancer Property Holdings Limited
Consolidated Profit and Loss Account
For the year ended 30 April 2010

	<u>Note</u>	<u>2010</u> £	<u>2009</u> £
Turnover			
Turnover Group and share of joint venture's turnover	1(c)	8,892,996	9,483,964
Less Share of joint venture's turnover		(185,156)	(645,571)
Group Turnover		<u>8,707,840</u>	<u>8,838,393</u>
Cost of sales		(4,594,097)	(5,762,888)
Gross Profit		4,113,743	3,075,505
Administrative expenses		(2,080,287)	(1,787,834)
Operating Profit	3	2,033,456	1,287,671
Share of operating profit/(loss) from joint venture		(12,491)	490,277
Profit on Ordinary Activities before interest		2,020,965	1,777,948
Share of loss from related undertaking in which group has a participating interest		(28,047)	-
Investment income		-	707
Dividends receivable		345,474	150,374
Interest receivable	5	9,265	33,633
Interest payable	6	(148,035)	(105,525)
Profit on Ordinary Activities before Taxation		2,199,622	1,857,137
Tax on profit on ordinary activities	7	(645,282)	(515,960)
Profit on Ordinary Activities after Taxation		<u>1,554,340</u>	<u>1,341,177</u>

The Profit and Loss Account has been prepared on the basis that all operations are continuing

The company does not have any other recognised gains and losses for the year other than those disclosed in the profit and loss account

The notes on pages 12 to 23 form part of these financial statements

Lancer Property Holdings Limited
Consolidated Statement of Total Recognised Gains and Losses
For the year ended 30 April 2010

	<u>2010</u> £	<u>2009</u> £
Profit the Financial Year	1,554,340	1,341,177
Share of unrealised surplus on Investments revaluation reserve from Joint Venture (note 20)	4,706	-
	<u> </u>	<u> </u>
Total Recognised Gains and Losses relating to the Year	<u>1,559,046</u>	<u>1,341,177</u>

The notes on pages 12 to 23 form part of these financial statements

Lancer Property Holdings Limited
Registered No. 05700194
Consolidated Balance Sheet – 30 April 2010

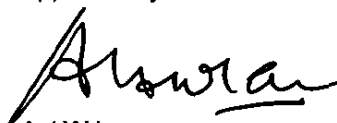
	<u>Note</u>	<u>2010</u>		<u>2009</u>	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9		80,582		2,760,885
Investment properties	10		4,670,674		-
Investment	11		143,841		-
Investment in Joint Venture	13				
Share of gross assets		190,635		323,933	
Share of gross liabilities		(13,231)		(145,944)	
			177,404		177,989
			<u>5,072,501</u>		<u>2,938,874</u>
Current Assets					
Debtors	14	4,785,366		2,134,718	
Cash at bank		1,226,155		1,953,758	
		<u>6,011,520</u>		<u>4,088,476</u>	
Creditors. amounts falling due within one year	15	(4,165,877)		(2,883,851)	
Net Current Assets			<u>1,845,644</u>		<u>1,204,625</u>
Total Assets Less Current Liabilities			<u>6,918,145</u>		<u>4,143,499</u>
Creditors. amounts falling due after more than one year	16		(2,977,000)		(1,757,000)
Provisions for liabilities and charges					
Deferred tax liability	18		(6,600)		(11,000)
Net Assets			<u>3,934,545</u>		<u>2,375,499</u>
Capital and Reserves					
Called up share capital	19		106		106
Share premium account	20		19,994		19,994
Investment revaluation reserve	20		4,706		-
Profit and loss account	20		3,909,739		2,355,399
Shareholders' Funds			<u>3,934,545</u>		<u>2,375,499</u>

The notes on pages 12 to 23 form part of these financial statements

Approved by the Board on

29.3.2011

and signed on its behalf by



A J W Lax
Director

Lancer Property Holdings Limited
Registered No: 05700194
Company Balance Sheet – 30 April 2010

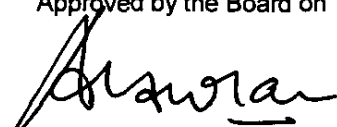
	<u>Note</u>	2010		2009	
		£	£	£	£
Fixed Assets					
Tangible fixed assets	9		11,125		27,564
Investments	11		7,801		7,501
			<u>18,926</u>		<u>35,065</u>
Current Assets					
Debtors	14	2,328,853		1,034,217	
Cash at bank		<u>82,582</u>		<u>493,657</u>	
		2,411,435		1,527,874	
Creditors' amounts falling due within one year	15	<u>(966,120)</u>		<u>(233,695)</u>	
Net Current Assets			1,445,315		1,294,179
			<u>1,464,241</u>		<u>1,329,244</u>
Capital and Reserves					
Called up share capital	19		106		106
Share premium account	20		19,994		19,994
Profit and loss account	20		<u>1,444,141</u>		<u>1,309,144</u>
Shareholders' Funds			<u>1,464,241</u>		<u>1,329,244</u>

The notes on pages 12 to 23 form part of these financial statements

Approved by the Board on

29. 7. 2011

and signed on its behalf by



A J W Lax
Director

Lancer Property Holdings Limited
Consolidated Cash Flow Statement
For the year ended 30 April 2010

	<u>Note</u>	<u>2010</u>		<u>2009</u>	
		£	£	£	£
Net cash inflow from operating activities	1		1,786,406		786,851
Dividend from joint venture			-		175,000
Returns on investments and servicing of finance					
Dividend received		345,474		150,374	
Interest received		9,265		33,633	
Interest paid		(148,035)		(105,525)	
Investment income		(28,047)		707	
Net cash inflow for returns on investments and servicing of finance			178,657		79,189
Taxation paid			(518,664)		(628,374)
Capital expenditure					
Payments to acquire tangible assets			(2,034,867)		(1,498,458)
Payments to acquire investments			(143,841)		-
Financing					
New long term loan			-		857,000
Decrease in cash in the year	2		(732,309)		(228,792)

Lancer Property Holdings Limited
Consolidated Cash Flow Statement
For the year ended 30 April 2010

Notes

1 Reconciliation of Operating Profit to Net Cash Inflow From Operating Activities

	<u>2010</u> £	<u>2009</u> £
Operating profit	2,020,965	1,777,947
Depreciation of tangible assets	44,496	26,207
Share of (profit)/loss from joint venture	585	(352,489)
Decrease/(increase) in debtors	(2,064,838)	530,021
Increase/(decrease) in creditors within one year	1,785,198	(1,194,835)
Net cash inflow/(outflow) from operating activities	<u>1,786,406</u>	<u>786,851</u>

2 Analysis of Net Funds

	<u>1 May 2009</u>	<u>Cash flow</u>	<u>30 April 2010</u>
Cash at bank and in hand	1,953,758	-	1,221,449
Cash	1,953,758	(732,309)	1,221,449
Loan	(1,757,000)	-	(1,757,000)
Net funds	<u>196,758</u>	<u>(732,309)</u>	<u>(535,551)</u>

3 Reconciliation of Net Cash Flow to Movement in Net Funds

	<u>2010</u> £	<u>2009</u> £
Increase/(decrease) in cash in the year	(732,309)	(228,792)
Cash inflow from increase in loan	-	(857,000)
Movement in net funds in the year	<u>(732,309)</u>	<u>(1,085,792)</u>
Opening net funds	196,758	1,282,550
Closing net funds	<u>(535,551)</u>	<u>196,758</u>

4 Major Non-Cash Transactions

There were no non-cash transactions during the year

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes

1 Accounting Policies

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and Financial Reporting Standards

(b) Basis of consolidation

The group financial statements consolidate the accounts of the company and all of its subsidiary undertakings. Profits or losses on intra-group transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities, which exist at the date of acquisition are recorded at their values reflecting their condition at that date.

(c) Turnover

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

(d) Tangible fixed assets and depreciation

Freehold properties are stated at cost and reviewed for impairment by the directors at the year end.

No depreciation is provided on freehold properties as the useful economic life of these assets are of such length and the residual values are such that they are not materially different from the carrying amount and any depreciation would not be material. Residual values are reviewed annually and any permanent diminution in the value is provided for in the profit and loss account.

The remaining fixed assets are stated at cost 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:

Leasehold addition	-	25 - 30% straight line
Fixtures & fittings	-	25% straight line
Office equipment	-	33% straight line

(f) Investments

Investments in subsidiaries are valued at cost less provision for impairment.

(e) Equipment leased to customers

Equipment leased to customers under operating lease is deemed to be sold at normal selling value which is taken to turnover at the inception of the lease. Debtors under operating lease represents outstanding amounts due under these lease agreements less finance charges allocated to the future periods. Operating lease interest is recognised over the primary period of lease so as to produce a constant rate of return on net cash investments.

(g) Operating leases

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

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

1 Accounting Policies (Continued)

(h) Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard 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.

(i) Participating Interests

In accordance with the Companies Act 2006, Foundation Property Management LLC, having its main operation in and also registered in Abu Dhabi, UAE (a company in which Mayfair Central Limited, a wholly owned subsidiary of Lancer Property Holdings Limited had a 35% beneficial interest) is described as a participating interest. Since Lancer Property Holdings Limited or any other subsidiary company in this group does not participate in the commercial or financial policy decisions, Foundation Property Management LLC is not regarded as an associated undertaking and is therefore included on the balance sheet at cost (note 11).

(j) 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 not discounted.

(k) 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.

(l) 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.

2 Turnover

Turnover is wholly in respect of services carried out within the United Kingdom.

Lancer Property Holdings Limited
Financial Statements for the year ended 30 April 2010
Notes (Continued)

3 Operating Profit

	<u>2010</u> £	<u>2009</u> £
Operating profit is stated after charging		
Depreciation of tangible fixed assets	44,496	26,207
Auditors' remuneration	28,363	26,250
Operating leases – land and building	111,621	50,000
Exchange gain	(20,119)	(48,414)
	<u> </u>	<u> </u>

4 Staff Costs

Staff costs during the year, including directors costs were as follows

	<u>2010</u> £	<u>2009</u> £
Wages and salaries	814,160	681,091
Social security costs	91,162	87,260
Other pension costs	48,202	39,251
	<u>953,524</u>	<u>807,602</u>

The average number of employees in the year including directors was

	<u>2010</u> No	<u>2009</u> No
Sales and administration	<u>9</u>	<u>9</u>

Directors' Remunerations

Staff costs include the following emoluments in respect of directors of the company

	<u>2010</u> £	<u>2009</u> £
Emoluments	270,138	170,985
Pension contributions	7,819	10,425
	<u>277,957</u>	<u>181,410</u>

The number of directors in respect of whom pension benefits are accruing under money purchase pension scheme is 1 (2009 1)

The highest paid director received remuneration of £161,138 (2009 £161,986)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £7,819 (2009 £10,425)

A total of £50,000 (2009 £100,000) was paid to third parties for the services of directors in the period

Lancer Property Holdings Limited
Financial Statements for the year ended 30 April 2010
Notes (Continued)

5	Interest Receivable	<u>2010</u> £	<u>2009</u> £
	Other interest receivable	<u>9,265</u>	<u>33,633</u>
6	Interest Payable	<u>2010</u> £	<u>2009</u> £
	On bank loans and overdrafts	<u>148,033</u>	<u>105,525</u>
7	Taxation		
7(a)	Tax on profit on ordinary activities		
	The tax charge is made up as follows		
		<u>2010</u> £	<u>2009</u> £
	Current Tax		
	UK corporation tax	637,172	364,263
	Tax under-provided in respect of prior year	20,502	2,197
	Group current tax	657,674	366,460
	Share of joint ventures' current tax	50	138,500
	Total current tax (note 7(b))	657,724	504,960
	Deferred tax – current year (note 16 & 17)	(12,442)	11,000
		<u>645,282</u>	<u>515,960</u>
The actual tax charge for the year is higher (2009 lower) than the standard rate of tax on the results for the reason set out below			
		<u>2010</u> £	<u>2009</u> £
7 (b)	Profit on ordinary activities before taxation	2,199,622	1,857,137
	Tax on ordinary activities at 28% (2009 30%)	615,894	519,998
	Adjust for		
	Expenses not allowed for tax purposes	14,539	8,872
	Excess of capital allowance over depreciation	7,085	(13,116)
	Under provision for prior years	20,502	2,197
	Other timing differences	(4,496)	(12,991)
	Group relief claimed before payment	4,200	-
	Total Current tax (note 7(a))	<u>657,724</u>	<u>504,960</u>

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

8 Result on Ordinary Activities Before Taxation

The company has taken the exemption under the Companies Act 2006 not to produce a company profit and loss account as group financial statements are produced. The company's profit on ordinary activities before taxation was £125,965 (2009 £1,275,470)

9 Tangible Fixed Assets

Group	<u>Leasehold improvements</u> £	<u>Land and buildings</u> £	<u>Furniture, fittings and equipment</u> £	<u>Total</u> £
Cost or valuation				
At 1 May 2009	98,058	2,639,349	129,426	2,866,833
Additions	-	-	3,542	3,542
Transfers between classes	-	(2,639,349)	-	(2,639,349)
At 30 April 2010	98,058	-	132,968	231,026
Depreciation				
At 1 May 2009	4,086	-	101,862	105,948
Charge for the year	24,515	-	19,981	44,496
At 30 April 2010	28,601	-	121,843	150,444
Net book value				
At 30 April 2010	69,457	-	11,125	80,582
At 30 April 2009	93,972	2,639,349	27,564	2,760,885

Company	<u>Furniture, Fittings and Equipment</u> £	<u>Total</u> £
Cost or valuation		
At 1 May 2009	49,685	49,685
Additions	3,542	3,542
At 30 April 2010	53,227	53,227
Depreciation		
At 1 May 2009	22,121	22,121
Charge for the year	19,981	19,981
At 30 April 2010	42,102	42,102
Net book value		
At 30 April 2010	11,125	11,125
At 30 April 2009	27,564	27,564

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

10 Investment Property

	Freehold property £
Group	
Cost and valuation	
At 1 May 2009	-
Additions at cost	2,031,325
Transfers between classes	2,639,349
	<hr/>
At 30 April 2010	4,670,674
	<hr/>

The directors are of the opinion that market value of the investment properties as at 30 April 2010 is same as the net book value of these properties. The 2010 valuations were made by the directors, on an open market value for existing use basis.

11 Investments

	<u>Unlisted Investments</u> £
Group	
At 1 May 2009	100,000
Additions	143,841
	<hr/>
At 30 April 2009	243,841
	<hr/>
Impairment	
At 1 May 2009	100,000
Charge for the year	-
	<hr/>
At 30 April 2010	100,000
	<hr/>
Net book value	
At 30 April 2010	143,841
	<hr/>
At 30 April 2009	-
	<hr/>

During the year ended 30 April 2010 the group held, at £nil (2009: £nil), a beneficial interest in 35% of Foundation Property Management LLC, registered in Abu Dhabi, UAE.

This investment was surrendered on 1 June 2009, for £nil value, and the group received a final distribution of £117,203 on 26 February 2010.

Foundation Property Management LLC had a net profits of £224,631 for the five months period to 31 May 2009. The company had net assets of £342,024 as at that date.

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

11 Investments (continued)

	<u>Total</u>
Company	£
At 1 May 2009	107,502
Additions	300
Disposal	-
	<hr/>
At 30 April 2009	107,802
	<hr/>
Impairment	
At 1 May 2009	100,001
Charge for the year	-
	<hr/>
At 30 April 2010	100,001
	<hr/>
Net book value	
At 30 April 2010	7,801
	<hr/>
At 30 April 2009	7,501
	<hr/>

12 Principal Investments

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Company name	Country	Percentage Shareholding	Aggregate share capital and reserves £	Profit/(loss) for the period £
Lancer Property Asset Management Ltd	England	100%	2,729,559	1,873,373
Knightsbridge Central (1) Ltd	England	100%	6,206	6,104
Lancer Asset Management (Investments) Ltd	England	50%	(2,178)	(5,582)
Nightingale Capital Partners Ltd	England	50%	356,987	(5,000)
Nightingale Partners Limited	England	50%	100	-
Mayfair Central Ltd	England	100%	91,507	256,075
Knightsbridge Central (4) Ltd	England	100%	37,273	29,226
Lancer Asset Management Ltd (Dormant)	England	100%	1,000	-
Knightsbridge Central (5) Ltd (Dormant)	England	100%	100	-
Knightsbridge Central (6) Ltd (Dormant)	England	100%	100	-
Berkeley Square Holdings Ltd (Dormant)	England	100%	100	-

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

12 Principal Investments (continued)

Shares held are ordinary shares. The above disclosures reflect the balance sheet values at 30 April 2010. Each of the above companies act in either the property management or ownership sector.

13 Investment in Joint Venture

	<u>Total</u> £
At 1 May 2009	177,989
Share of profit retained by joint venture	(585)
At 31 April 2010	<u>177,404</u>

14 Debtors

	<u>Group</u>		<u>Company</u>	
	<u>2010</u> £	<u>2009</u> £	<u>2010</u> £	<u>2009</u> £
Due within one year				
Trade debtors	2,251,307	1,932,777	-	-
Amounts owed by group undertakings	-	-	-	4,001
Amount owed by related undertaking	586,006	-	586,006	-
Other debtors	80,005	165,696	1,383	696
Prepayments and accrued income	1,831,704	36,245	-	-
Lease receivable	8,450	-	-	-
Deferred tax asset (note 17)	8,042	2,794	-	-
	<u>4,765,514</u>	<u>2,134,718</u>	<u>590,183</u>	<u>4,697</u>
Due after more than one year				
Lease receivable	19,852	-	-	-
Amount owed from group Undertakings	-	-	1,738,670	1,029,520
	<u>4,785,366</u>	<u>2,134,718</u>	<u>2,328,853</u>	<u>1,434,217</u>

Net investments in finance lease and hire purchase contracts

	<u>Group</u>		<u>Company</u>	
£	<u>2010</u> £	<u>2009</u> £	<u>2010</u> £	<u>2009</u> £
Total amount recoverable	33,800	-	-	-
Less Interest allocated to future periods	(5,498)	-	-	-
Total	<u>28,302</u>	<u>-</u>	<u>-</u>	<u>-</u>

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

14 Debtors (continued)

Rental receivable during the year under finance leases and hire purchase contracts amounted to £8,450 (2008 £nil)

The cost of assets acquired during the year for onward leasing was £36,753 (2009 £nil)

15 Creditors: amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade creditors	660,332	224,930	12,417	14,694
Amount owed to related undertaking	427,069	455,726	2	2
Amount owed to group undertaking	-	-	935,376	197,272
Corporation tax	469,172	342,554	-	-
Social security and other taxes	379,924	319,048	-	461
Other creditors	9,787	17,676	-	3,666
Accruals and deferred income	2,219,593	1,523,917	18,325	17,600
	<u>4,165,877</u>	<u>2,883,851</u>	<u>966,120</u>	<u>233,695</u>

16 Creditors: amounts falling due after more than one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Amount owed to related parties	1,220,000	-	-	-
Bank loans (secured)	1,757,000	1,757,000	-	-
	<u>2,977,000</u>	<u>1,757,000</u>	<u>-</u>	<u>-</u>

The bank loans and overdrafts are secured on the land and building owned by the group

Included within the group creditors falling due after more than one year is an amount of £1,757,000 (2009 £1,757,000) in respect of liabilities which fall due for payment within two to five years from the balance sheet date. The rate of interest payable on the loan ranges from 1.25% to 1.86% above the Bank of England base rate.

The group entered into two interest rate swap agreements with a notional value of £1,350,000 in order to hedge the interest rate risk on the bank loans. If these swap agreements were terminated at 30 April 2010, the group would be required to pay an amount of £146,680 (2009 £154,605) to discharge the liability.

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

17 Deferred tax asset

	<u>Group</u>		<u>Company</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	£	£	£	£
At 1 May 2009	-	-	-	-
Credited to the profit and loss account during the year	8,042	-	-	-
At 30 April 2010	<u>8,042</u>	<u>-</u>	<u>-</u>	<u>-</u>

The deferred tax asset balance is made up as follows

	<u>Group</u>		<u>Company</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	£	£	£	£
Tax losses carried forward	5,248	-	-	-
Short term timing differences	2,794	-	-	-
At 31 March 2010	<u>8,042</u>	<u>-</u>	<u>-</u>	<u>-</u>

18 Deferred tax liability

	<u>Group</u>		<u>Company</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	£	£	£	£
At 1 May 2009	11,000	-	-	-
Credited to the profit and loss account during the year	(4,400)	11,000	-	-
At 30 April 2010	<u>6,600</u>	<u>11,000</u>	<u>-</u>	<u>-</u>

The deferred tax liability balance is made up as follows

	<u>Group</u>		<u>Company</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	£	£	£	£
Accelerated capital allowances	7,827	12,000	-	-
Short term timing differences	(1,227)	(1,000)	-	-
At 31 March 2010	<u>6,600</u>	<u>11,000</u>	<u>-</u>	<u>-</u>

Lancer Property Holdings Limited

Financial Statements for the year ended 30 April 2010

Notes (Continued)

19 Share Capital

	<u>2010</u> £	<u>2009</u> £
Shares classified as capital		
Authorised 1,100,000 ordinary shares of £0 0001 each	110	110
Allotted, called up and fully paid 1,058,800 ordinary shares of £0 0001 each	106	106

20 Reserves

Groups	<u>Share premium reserve</u> £	<u>Revaluation reserve</u> £	<u>Profit and loss account</u> £
At 1 May 2009	19,994	-	2,355,399
Profit/surplus for the year	-	4,706	1,554,340
At 30 April 2010	19,994	4,706	3,909,739
Company		<u>Share premium reserve</u> £	<u>Profit and loss account</u> £
At 1 May 2009		19,994	1,309,144
Profit for the year		-	134,997
At 30 April 2010		19,994	1,444,141

21 Pension Commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £48,202 (2009 £39,251). At 30 April 2010 pension costs payable amounted to £4,394 (2009 £4,580).

22 Operating Lease Commitments

The group has the following annual commitments under non-cancellable operating leases which expire

	<u>Land and Buildings</u> <u>2010</u> £	<u>2009</u> £
Within one year	27,766	12,500

Lancer Property Holdings Limited
Financial Statements for the year ended 30 April 2010
Notes (Continued)

23 Related Party Transactions

During the year the group was charged £50,000 (2009 £100,000) by GVA Grimley for the services of Mr J T Kevill together with a further £1,382,473 (2009 £2,066,477) in respect of professional services provided Mr A J Lax, J T Kevill, and Mr P J D O'Keeffe, who are shareholders in Lancer Property Holdings Limited, were partners in GVA Grimley in the period. At 30 April 2010 the group owed £399,022 (2009 £455,726) to GVA Grimley.

Lancer Property Holdings Limited owns 50% of voting rights in Lancer Asset Management (Investments) Limited, which in turn owns 100% of the voting rights in Nightingale Capital Partners Limited. At 30 April 2010, the group owed £nil (2009 £150) to Lancer Asset Management (Investments) Limited.

During the year, the group was charged £126,750 (2009 £95,782) for goods and services from Nightingale Capital Partners Limited. At 30 April 2010, £nil (2009 £46) was due to Nightingale Capital Partners Limited. During the year, the company recharged £49,064 (2009 £nil) to Nightingale Capital Partners Limited in respect of goods and services provided.

During the year, group charged Nightingale Capital Partners Limited £49,064 (2009 £540) in respect of goods and services provided. At 30 April 2010 the company owed £nil (2009 £46) to the group.

The Bullfrog Partnership LLP is related via directors of this company also being the members of Bullfrog Partnership LLP. Knightsbridge Central 4 Ltd, a subsidiary company of Lancer Property Holdings Ltd has a 1% ownership and 99% entitlement to the profits (loss) of The Bullfrog Partnership LLP. During the year, the group was charged to £28,047 (2009 £nil), being its share of loss of The Bull Frog Partnership LLP. During the year, the group recharged £3,914 (2009 £nil) to The Bullfrog Partnership LLP in respect of goods and services provided.

During the year, the group received a loan of £1,250,000 from The Bullfrog Partnership LLP and was also charged interest of £25,075. At 30 April 2010, the group owed The Bull Frog Partnership LLP £1,220,000 in respect of this loan.

The company has taken advantage of the exemptions offered under Financial Reporting Standard 8 from disclosing transactions and balance with wholly owned subsidiaries.