

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014  
FOR  
THE DAVENTRY ESTATE COMPANY LIMITED**

TUESDAY



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COMPANIES HOUSE

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FOR THE YEAR ENDED 31 MARCH 2014

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**THE DAVENTRY ESTATE COMPANY LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2014**

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**DIRECTORS:**

S P Bowers  
D G Eddon  
O M Loud  
G S Mclean  
R Patchett

**SECRETARY:**

G S Mclean

**REGISTERED OFFICE:**

Daventry District Council  
Lodge Road  
Daventry  
Northamptonshire  
NN11 4FP

**REGISTERED NUMBER:**

08299002 (England and Wales)

**AUDITORS:**

DNG Dove Naish  
Chartered Accountants  
and Statutory Auditor  
Eagle House  
28 Billing Road  
Northampton  
Northamptonshire  
NN1 5AJ

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2014**

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The directors present their report with the financial statements of the company for the year ended 31 March 2014.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of residential property rental.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report.

S P Bowers  
O M Loud  
G S Mclean  
R Patchett

Other changes in directors holding office are as follows:

D G Eddon - appointed 5 December 2013  
K G Melling - deceased 19 June 2013  
E R F Reeves - appointed 15 July 2013 - resigned 5 December 2013

**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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**THE DAVENTRY ESTATE COMPANY LIMITED (REGISTERED NUMBER: 08299002)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2014**

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This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**SIGNED BY ORDER OF THE DIRECTORS:**



.....  
G S Mclean - Director

Date: .....

28 / 7 / 2014

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE DAVENTRY ESTATE COMPANY LIMITED**

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We have audited the financial statements of The Daventry Estate Company Limited for the year ended 31 March 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE DAVENTRY ESTATE COMPANY LIMITED**

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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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Andrew Clifford (Senior Statutory Auditor)  
for and on behalf of DNG Dove Naish  
Chartered Accountants  
and Statutory Auditor  
Eagle House  
28 Billing Road  
Northampton  
Northamptonshire  
NN1 5AJ

Date: 20 August 2014

**THE DAVENTRY ESTATE COMPANY LIMITED (REGISTERED NUMBER: 08299002)**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2014**

		Year Ended 31/3/14 £	Period 19/11/12 to 31/3/13 £
	Notes		
<b>TURNOVER</b>		76,051	-
Cost of sales		1,882	-
<b>GROSS PROFIT</b>		74,169	-
Administrative expenses		50,525	17,901
<b>OPERATING PROFIT/(LOSS)</b>	2	23,644	(17,901)
Interest payable and similar charges		46,490	-
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(22,846)	(17,901)
Tax on loss on ordinary activities	3	-	-
<b>LOSS FOR THE FINANCIAL YEAR</b>		(22,846)	(17,901)

The notes form part of these financial statements



**THE DAVENTRY ESTATE COMPANY LIMITED (REGISTERED NUMBER: 08299002)**

**BALANCE SHEET  
31 MARCH 2014**

	Notes	2014 £	2013 £
<b>FIXED ASSETS</b>			
Investment property	4	5,922,873	-
<b>CURRENT ASSETS</b>			
Debtors	5	2,737	-
Cash at bank		89,227	1,000
		91,964	1,000
<b>CREDITORS</b>			
Amounts falling due within one year	6	72,183	17,901
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		19,781	(16,901)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,942,654	(16,901)
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	5,982,401	-
<b>NET LIABILITIES</b>		(39,747)	(16,901)
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(40,747)	(17,901)
<b>SHAREHOLDERS' FUNDS</b>		(39,747)	(16,901)

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Directors on 28 July 2014 and were signed on its behalf by:

  
S P Bowers - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

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1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements are prepared on the going concern basis. The company is supported by a working capital loan provided by Daventry District Council, the sole shareholder.

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**Turnover**

Turnover represents rental income from investment properties.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

**Deferred tax**

Deferred taxation is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

**Finance leases**

Assets held under finance leases are capitalised in the balance sheet. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of future payments is treated as a liability.

2. OPERATING PROFIT/(LOSS)

The operating profit (2013 - operating loss) is stated after charging:

	Year Ended 31/3/14 £	Period 19/11/12 to 31/3/13 £
Auditors' remuneration	5,100	-
	<u>          </u>	<u>          </u>
Directors' remuneration and other benefits etc	-	-
	<u>          </u>	<u>          </u>

3. TAXATION

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2014 nor for the period ended 31 March 2013.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

4. INVESTMENT PROPERTY

	Total £
<b>COST</b>	
Additions	5,922,873
At 31 March 2014	5,922,873
<b>NET BOOK VALUE</b>	
At 31 March 2014	5,922,873

The investment properties were valued on a fair value basis on 31 March 2014 by Dina Pink MRICS.

Fixed assets, included in the above, which are held under finance leases are as follows:

	Total £
<b>COST</b>	
Additions	5,922,873
At 31 March 2014	5,922,873
<b>NET BOOK VALUE</b>	
At 31 March 2014	5,922,873

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	2,737	-

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Finance leases	363	-
Amounts owed to group undertakings	63,350	17,901
Other creditors	8,470	-
	72,183	17,901

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014 £	2013 £
Finance leases	5,922,401	-
Amounts owed to group undertakings	60,000	-
	5,982,401	-

Amounts falling due in more than five years:

Repayable by instalments		
Finance leases	5,920,859	-

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2014

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2014	2013
Number:	Class:		£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

9. RESERVES

	Profit and loss account £
At 1 April 2013	(17,901)
Deficit for the year	<u>(22,846)</u>
At 31 March 2014	<u>(40,747)</u>

10. RELATED PARTY DISCLOSURES

**Daventry District Council**  
Sole shareholder

During the year the company entered into a 250 year lease with Daventry District Council for 32 properties. The fair value of the properties, being £5,922,873, has been recognised as an asset on the balance sheet with a corresponding finance lease creditor. The company made a lease payment during the period of £43,750 which included interest of £43,640.

The company also received a loan of £60,000 during the year from Daventry District Council to fund working capital requirements.

During the year services charges and recharges of administrative costs totalling £38,048 were charged to the company by Daventry District Council.

	2014 £	2013 £
Amount due to related party at the balance sheet date	<u>6,046,114</u>	<u>17,901</u>

11. ULTIMATE CONTROLLING PARTY

The Directors consider that The Daventry Estate Company Limited (TDECL) is a "controlled" company under the terms of the Local Government and Housing Act 1989 and the Local Authorities (Companies) Order 1995. This is because Daventry District Council (DDC) is the sole shareholder of the company. As such DDC has 100% of the voting rights at general meetings and has the sole right to appoint and remove directors.

DDC can be contacted at Lodge Road, Daventry, Northamptonshire, NN11 4FP.