



Financial Statements A. & B. Management Services Limited

For the 53 week period from 28 Jan 07 to 2 February 2008



Company No. 463817

Officers and professional advisers

Company registration number	463817
Registered office	Fruit Tree Farm Guist Bottom Road Stubbard Fakenham Norfolk NR21 0AQ
Directors	T C Aldiss E Kump P S Aldiss C Aldiss
Secretary	T E Summers
Bankers	Barclays Bank PLC 17 Market Place Fakenham Norfolk NR21 9BE
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors Holland Court The Close Norwich Norfolk NR1 4DY

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Report of the directors

The directors present their report and the financial statements of the company for the 53 week period from 28 January 2007 to 2 February 2008

Principal activities and business review

The principal activity of the company during the year was the letting of property

The profit for the period after taxation amounted to £207,527 Particulars of dividends paid during the period are detailed in note 4 of the financial statements No dividends are proposed at the period end

Directors

The directors who served the company during the period were as follows

T C Aldiss
E Kump
P S Aldiss
C Aldiss

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice) The financial statements are required by law to give a true and fair view of the state of affairs of the 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 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 enable them to ensure that the financial statements comply with the Companies Act 1985 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 of directors responsibilities (Continued)

In so far as the directors are aware

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

Donations

During the period the company made charitable donations amounting to £1,000

Auditor

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

BY ORDER OF THE BOARD



T E Summers
Secretary

14 June 2008



Report of the independent auditor to the members of A. & B. Management Services Limited

We have audited the financial statements of A & B Management Services Limited for the 53 week period from 28 January 2007 to 2 February 2008 which comprise the accounting policies, profit and loss account, balance sheet and notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

Report of the independent auditor to the members of A. & B. Management Services Limited (continued)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 2 February 2008 and of its profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Report of the Directors is consistent with the financial statements

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
NORWICH

20.06.2008

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards

The company is exempt from the requirement to prepare group financial statements on the basis that the group comprising the company and its subsidiary undertaking qualifies as a small group as defined by Sections 248 and 249 of the Companies Act 1985. Accordingly these financial statements present information about the company as an individual undertaking and not about its group

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Turnover

The turnover shown in the profit and loss account represents rents receivable during the period

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings - 15% per annum reducing balance

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Deferred taxation

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

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Turnover		362,829	345,663
Other operating charges	1	(119,162)	(120,294)
Operating profit	2	<u>243,667</u>	<u>225,369</u>
Interest receivable and similar income		44,368	40,954
Interest payable and similar charges		(1,709)	(14,144)
Profit on ordinary activities before taxation		<u>286,326</u>	<u>252,179</u>
Tax on profit on ordinary activities	3	(78,799)	(60,648)
Profit for the financial period	12	<u>207,527</u>	<u>191,531</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the period as set out above

Balance sheet

	Note	2 Feb 08 £	27 Jan 07 £
Fixed assets			
Tangible assets	5	4,531,474	4,526,261
Investments	6	2,440	2,440
		4,533,914	4,528,701
Current assets			
Debtors*	7	390,432	635,175
Cash at bank		18,160	201
		408,592	635,376
Creditors: amounts falling due within one year	8	(128,905)	(157,666)
Net current assets		279,687	477,710
Total assets less current liabilities		4,813,601	5,006,411
Provisions for liabilities			
Deferred taxation	9	(1,074)	(1,244)
Net assets		4,812,527	5,005,167
Capital and reserves			
Called-up equity share capital	11	23,198	23,198
Revaluation reserve		2,914,812	2,914,812
Other reserves		6,392	6,392
Profit and loss account	12	1,868,125	2,060,765
Equity shareholders' funds	13	4,812,527	5,005,167

* Debtors includes £350,000 (2007 - £600,000) falling due after more than one year

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These financial statements were approved by the directors and authorised for issue on 14 June 2008, and are signed on their behalf by

T C Aldiss
Director



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

Notes to the financial statements

1 Other operating charges

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Administrative expenses	<u>119,162</u>	<u>120,294</u>

2 Operating profit

Operating profit is stated after charging

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Depreciation of owned fixed assets	1,541	1,006
Auditor's fees	3,290	2,996
Directors remuneration	<u>50,000</u>	<u>50,000</u>

3 Taxation on ordinary activities

(a) Analysis of charge in the period

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Current tax in respect of the period		
UK Corporation tax based on the profit for the period at 30% (2007 - 30%)	78,969	62,147
Over provision in prior period	<u>-</u>	<u>(1,598)</u>
Total current tax (note 3(b))	78,969	60,549
Deferred tax		
Origination and reversal of timing differences (note 9)		
Capital allowances	<u>(170)</u>	<u>99</u>
Tax on profit on ordinary activities	<u>78,799</u>	<u>60,648</u>

3 Taxation on ordinary activities (continued)

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the period is lower than the standard rate of corporation tax in the UK of 30% (2007 - 30%)

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Profit on ordinary activities before taxation	<u>286,326</u>	<u>252,179</u>
Profit on ordinary activities by rate of tax - expected charge	85,898	75,654
Expenses not deductible for tax purposes	4,168	78
Capital allowances for period in excess of depreciation	304	90
Tax chargeable at lower rates	(11,401)	(13,675)
Adjustments to tax charge in respect of previous periods	-	(1,598)
Total current tax (note 3(a))	<u>78,969</u>	<u>60,549</u>

(c) Factors that may affect future tax charges

The potential amount of deferred tax on the revalued land and buildings is not provided as the revaluation is not considered to be a timing difference that will crystallise in the foreseeable future. Such tax would only become payable if the properties were sold without it being possible to claim rollover relief. If these assets were disposed of at the balance sheet amounts it is estimated that any tax liability would amount to no more than £636,000 (2007 £664,000)

4 Dividends

Dividends on shares classed as equity

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Paid during the year		
Equity dividends on ordinary shares	<u>400,167</u>	<u>15,079</u>

5 Tangible fixed assets

	Investment property £	Fixtures & Fittings £	Total £
Cost or valuation			
At 28 January 2007	4,520,000	18,561	4,538,561
Additions	—	6,754	6,754
At 2 February 2008	<u>4,520,000</u>	<u>25,315</u>	<u>4,545,315</u>
Depreciation			
At 28 January 2007	—	12,300	12,300
Charge for the period	—	1,541	1,541
At 2 February 2008	<u>—</u>	<u>13,841</u>	<u>13,841</u>
Net book value			
At 2 February 2008	<u>4,520,000</u>	<u>11,474</u>	<u>4,531,474</u>
At 27 January 2007	<u>4,520,000</u>	<u>6,261</u>	<u>4,526,261</u>

The company's freehold investment property land and buildings were externally valued at £4,520,000 on 19 May 2006, by M Swinley, FRICS of Bidwells, Chartered Surveyors, Norwich, on the basis of Market Value in accordance with the Appraisal and Valuation Standards ('the Red Book') issued by the Royal Institution of Chartered Surveyors, subject to any necessary assumptions and departures from the Red Book on the basis of a visual only inspection and limited enquiries

This valuation was obtained for secured lending purposes. However, given the market value basis of valuation, the directors considered it appropriate to incorporate this valuation into the company's financial statements as at 28 January 2006. The directors do not consider that there has been any significant movement in this valuation as at 2 February 2008.

No depreciation has been provided on freehold land and buildings as the directors consider them to be investment properties as defined by Statement of Standard Accounting Practice 19. The historic cost of the revalued assets at 2 February 2008 was £1,605,188 (2007 - £1,605,188).

6 Investments

Investment in subsidiary undertaking

	£
Cost	
At 28 January 2007 and 2 February 2008	<u>2,440</u>
Net book value	
At 2 February 2008	<u>2,440</u>
At 27 January 2007	<u>2,440</u>

The company owns 100% of the issued share capital of Stewardsons (Fakenham) Limited, a dormant undertaking registered in England and Wales. At the beginning and end of the period Stewardsons (Fakenham) Limited had net assets of £5,000.

7 Debtors

	2 Feb 08	27 Jan 07
	£	£
Trade debtors	8,424	3,211
Amounts owed by related undertaking (note 10)	379,264	600,000
Corporation tax recoverable	—	26,049
Other debtors	2,744	5,915
	<u>390,432</u>	<u>635,175</u>

Amounts owed by related undertakings includes £350,000 (2007 - £600,000) falling due after more than one year.

8 Creditors: amounts falling due within one year

	2 Feb 08	27 Jan 07
	£	£
Amounts owed to related undertaking (note 10)	4,333	4,333
Amounts owed to subsidiary undertaking	5,000	5,000
Corporation tax	78,969	62,147
Other creditors	40,603	86,186
	<u>128,905</u>	<u>157,666</u>

The company has a bank overdraft facility which is secured by fixed and floating charges over the company's undertaking, property and assets.

9 Deferred taxation

The movement in the deferred taxation provision during the period was

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Provision brought forward	1,244	1,145
Profit and loss account movement arising during the period	(170)	99
Provision carried forward	<u>1,074</u>	<u>1,244</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2 Feb 08 £	27 Jan 07 £
Excess of taxation allowances over depreciation on fixed assets	<u>1,074</u>	<u>1,244</u>

10 Related party transactions

T C Aldiss is the controlling shareholder of the company and is also the controlling shareholder of W J Aldiss Limited

During the period the company entered into contracts with W J Aldiss Limited as follows

	2 Feb 08 £	27 Jan 07 £
Rental of premises to	<u>126,000</u>	<u>126,000</u>
Management charges from	<u>2,644</u>	<u>1,763</u>
Other recharges from	<u>8,059</u>	<u>—</u>

At the period end the company owed W J Aldiss Limited £4,333 (2007 - £4,333) This comprised rent received in advance of £4,333 (2007 - £4,333)

During the previous period the company loaned £600,000 to W J Aldiss Limited This loan carries interest at 2% above the Bank of Scotland base rate This loan has no fixed repayment terms However, the company is aware that no repayments are likely to be received for at least twelve months from the balance sheet date and, accordingly, this loan has been treated as falling due after more than one year During the current period £250,000 has been repaid and interest of £43,926 (2007 - £39,921) has been charged At the period end the company was owed £379,264 (2007 - £600,000) by W J Aldiss Limited

Loans from related parties included within other creditors are as follows

	2 Feb 08 £	27 Jan 07 £
PS Aldiss	<u>—</u>	<u>40,000</u>

The above loans carry interest at 2% above bank base rate

11 Equity share capital

Authorised share capital

	2 Feb 08 £	27 Jan 07 £
30,000 Ordinary shares of £1 each	<u>30,000</u>	<u>30,000</u>

Allotted, called up and fully paid

	2 Feb 08 No	£	27 Jan 07 No	£
Ordinary shares of £1 each	<u>23,198</u>	<u>23,198</u>	<u>23,198</u>	<u>23,198</u>

12 Profit and loss account

	53 week period to 2 Feb 08 £	52 week period to 27 Jan 07 £
Balance brought forward	2,060,765	1,884,313
Profit for the financial period	207,527	191,531
Equity dividends paid	(400,167)	(15,079)
Balance carried forward	<u>1,868,125</u>	<u>2,060,765</u>

13 Reconciliation of movements in equity shareholders' funds

	2 Feb 08 £	27 Jan 07 £
Profit for the financial period	207,527	191,531
Equity dividends paid	(400,167)	(15,079)
Net (reduction)/addition to equity shareholders' funds	(192,640)	176,452
Opening equity shareholders' funds	<u>5,005,167</u>	<u>4,828,715</u>
Closing equity shareholders' funds	<u>4,812,527</u>	<u>5,005,167</u>