

COMPANY REGISTRATION NUMBER 00632312

**YORK & DISTRICT INVESTMENT COMPANY  
LIMITED**

**FINANCIAL STATEMENTS**

**30 SEPTEMBER 2013**



# **YORK & DISTRICT INVESTMENT COMPANY LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 30 SEPTEMBER 2013**

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# **YORK & DISTRICT INVESTMENT COMPANY LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **The board of directors**

J Guthrie  
P J Guthrie  
R Guthrie  
M Robson  
J M Hill  
R G Urquhart

### **Company secretary**

B P Swiers

### **Registered office**

137 Scalby Road  
Scarborough  
North Yorkshire  
YO12 6TB

### **Auditors**

Moore Stephens  
Chartered Accountants  
& Statutory Auditors  
12 Alma Square  
Scarborough  
North Yorkshire  
YO11 1JU

### **Bankers**

Svenska Handelsbanken AB (publ)  
3 Thomas More Square  
London  
E1W 1WY

# **YORK & DISTRICT INVESTMENT COMPANY LIMITED**

## **DIRECTORS' REPORT**

### **YEAR ENDED 30 SEPTEMBER 2013**

The directors present their report and the financial statements of the company for the year ended 30 September 2013

#### **PRINCIPAL ACTIVITIES**

The principal activities of the company during the year have been running a property letting business and collection of income from other investments

#### **DIRECTORS**

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

J Guthrie  
P J Guthrie  
R Guthrie  
M Robson  
J M Hill  
R G Urquhart

R G Urquhart was appointed as a director on 20 September 2013

#### **DIRECTORS' RESPONSIBILITIES**

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 of the profit or loss of the company for that year.

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.

Each of the persons who is a director at the date of approval of this report confirm that

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and

# **YORK & DISTRICT INVESTMENT COMPANY LIMITED**

## **DIRECTORS' REPORT** *(continued)*

### **YEAR ENDED 30 SEPTEMBER 2013**

- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Signed by order of the directors



**B P SWIERS**  
Company Secretary

Approved by the directors on 13 March 2014

**YORK & DISTRICT INVESTMENT COMPANY LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF**  
**YORK & DISTRICT INVESTMENT COMPANY LIMITED**  
**YEAR ENDED 30 SEPTEMBER 2013**

We have audited the financial statements of York & District Investment Company Limited for the year ended 30 September 2013 on pages 6 to 14. 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 shareholders, 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 shareholders 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 shareholders 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 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 annual report 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 30 September 2013 and of its 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.

**YORK & DISTRICT INVESTMENT COMPANY LIMITED**  
**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF**  
**YORK & DISTRICT INVESTMENT COMPANY LIMITED** *(continued)*

**YEAR ENDED 30 SEPTEMBER 2013**

**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 take advantage of the small companies' exemption in preparing the member's report

SARAH-JANE SARGENT (Senior Statutory Auditor)  
For and on behalf of  
MOORE STEPHENS  
Chartered Accountants & Statutory Auditors

12 Alma Square  
Scarborough  
North Yorkshire  
YO11 1JU

13 March 2014

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
<b>TURNOVER</b>	<b>2</b>	<b>566,167</b>	<b>528,520</b>
Cost of sales		<u>157,181</u>	<u>246,430</u>
<b>GROSS PROFIT</b>		<b>408,986</b>	<b>282,090</b>
Administrative expenses		<u>46,889</u>	<u>47,440</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>362,097</b>	<b>234,650</b>
Profit on disposal of fixed assets		155,733	—
Amounts written off investments	<b>5</b>	<b>(400,000)</b>	<b>(300,000)</b>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>117,830</b>	<b>(65,350)</b>
Tax on profit/(loss) on ordinary activities	<b>6</b>	—	—
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b><u>117,830</u></b>	<b><u>(65,350)</u></b>

All of the activities of the company are classed as continuing

The notes on pages 9 to 14 form part of these financial statements



**YORK & DISTRICT INVESTMENT COMPANY LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 30 SEPTEMBER 2013**

	<b>2013</b> £	2012 £
Profit/(Loss) for the financial year attributable to the shareholders	117,830	(65,350)
Unrealised profit on investment properties	<u>60,000</u>	<u>250,000</u>
	177,830	184,650
Realised movement on revaluation of other investments	<u>-</u>	<u>300,000</u>
Total gains and losses recognised since the last annual report	<u>177,830</u>	<u>484,650</u>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

	<b>2013</b> £	2012 £
Reported profit/(loss) on ordinary activities before taxation	117,830	(65,350)
Realisation of gains recognised in previous periods	<u>2,413,173</u>	<u>-</u>
Historical cost profit/(loss) on ordinary activities before taxation	<u>2,531,003</u>	<u>(65,350)</u>
Historical cost profit/(loss) for the year after taxation	<u>2,531,003</u>	<u>(65,350)</u>

The notes on pages 9 to 14 form part of these financial statements

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## BALANCE SHEET

30 SEPTEMBER 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Investments	8	<u>5,383,756</u>	<u>8,422,723</u>
<b>CURRENT ASSETS</b>			
Debtors	9	58,979	50,824
Cash at bank and in hand		<u>68,614</u>	<u>71,990</u>
		127,593	122,814
<b>CREDITORS: Amounts falling due within one year</b>	10	<u>3,350,687</u>	<u>2,562,705</u>
<b>NET CURRENT LIABILITIES</b>		<u>(3,223,094)</u>	<u>(2,439,891)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,160,662</u>	<u>5,982,832</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	14	210,000	210,000
Revaluation reserve	15	1,914,316	4,267,489
Profit and loss account	15	<u>36,346</u>	<u>1,505,343</u>
<b>SHAREHOLDERS' FUNDS</b>	16	<u>2,160,662</u>	<u>5,982,832</u>

These accounts were approved by the directors and authorised for issue on 13 March 2014, and are signed on their behalf by

J GUTHRIE  
Director

Company Registration Number 00632312

The notes on pages 9 to 14 form part of these financial statements.

# **YORK & DISTRICT INVESTMENT COMPANY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 30 SEPTEMBER 2013**

### **1. ACCOUNTING POLICIES**

#### **1.1 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 UK accounting standards

#### **1.2 Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the parent company includes the subsidiary in its published financial statements

#### **1.3 Turnover**

Turnover represents amounts receivable for rents and service charges

#### **1.4 Investment properties**

In accordance with SSAP 19, the directors have included the company's investment properties in the balance sheet at their estimate of open market value. The aggregate surplus or deficit on revaluation is transferred to undistributable revaluation reserve. If deficits are considered permanent then these are written off to the profit and loss account.

No depreciation is provided on freehold investment properties which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of SSAP 19 in respect of investment properties have therefore been adopted in order to give a true and fair view. If this departure from the Act had not been made, the results for the year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **1.5 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

### 1. ACCOUNTING POLICIES *(continued)*

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### 1.6 Acquisition and disposal of properties

Acquisitions of properties are accounted for on the date of unconditional contract and disposals of properties on the date of legal completion

#### 1.7 Investments

Quoted and unquoted investments are stated at cost less any permanent diminution in value

Nil redemption debentures included in other investments are written off over the life of the debentures

### 2. TURNOVER

The turnover and profit before tax are attributable to the principal activities of the company  
An analysis of turnover is given below

	2013	2012
	£	£
United Kingdom	<u>566,167</u>	<u>528,520</u>

### 3. OPERATING PROFIT

Operating profit is stated after charging

	2013	2012
	£	£
Auditors' remuneration		
- as auditors	<u>6,600</u>	<u>6,600</u>

### 4. PARTICULARS OF EMPLOYEES

There were no employees during the year apart from the directors, who received no remuneration for their services

The above details do not include directors' emoluments paid by the holding company and partially recharged to the company as part of a management charge. It is not practicable to separately identify the amount of the directors' emoluments included in the management charge

### 5. AMOUNTS WRITTEN OFF INVESTMENTS

	2013	2012
	£	£
Amount written off investments	<u>400,000</u>	<u>300,000</u>

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

### 6. TAXATION ON ORDINARY ACTIVITIES

#### (a) Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 23.50% (2012 - 25%)

No tax charge arises on revaluation gains realised on properties transferred within the group

	2013 £	2012 £
Profit/(loss) on ordinary activities before taxation	<u>117,830</u>	<u>(65,350)</u>
Profit/(loss) on ordinary activities by rate of tax	27,690	(16,338)
Permanent timing differences	88,795	82,090
Tax on revaluation gains realised	5,369	-
Group relief	<u>(121,854)</u>	<u>(65,752)</u>
Total current tax	<u>-</u>	<u>-</u>

#### (b) Factors that may affect future tax charges

No provision has been made for deferred tax on gains recognised on revaluing investment properties to their market value. Such tax would only become payable when the properties were sold. Provision for taxation on disposal is made where a binding agreement to sell has been entered into by the balance sheet date.

### 7. DIVIDENDS

#### Equity dividends

	2013 £	2012 £
Paid during the year		
Dividends on equity shares	<u>4,000,000</u>	<u>840,000</u>

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

### 8. INVESTMENTS

	Other Investments £
<b>COST OR VALUATION</b>	
At 1 October 2012	8,473,297
Additions	614,455
Disposals	(3,287,542)
Revaluations	60,000
At 30 September 2013	<u>5,860,210</u>
<b>AMOUNTS WRITTEN OFF</b>	
At 1 October 2012	50,574
Written off in year	425,880
At 30 September 2013	<u>476,454</u>
<b>NET BOOK VALUE</b>	
At 30 September 2013	<u>5,383,756</u>
At 30 September 2012	<u>8,422,723</u>
<b>Historical Cost</b>	
At 30 September 2013	<u>3,902,873</u>
At 30 September 2012	<u>4,090,295</u>

#### Investment properties

Other investments include investment properties with a net book value of £4,825,195 (2012 - £7,765,790)

Investment properties have been revalued at their open market value as at the year end by Mr J Guthrie FRICS (director)

### 9. DEBTORS

	2013 £	2012 £
Trade debtors	58,979	46,262
Prepayments and accrued income	—	4,562
	<u>58,979</u>	<u>50,824</u>

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

### 10. CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	18,645	5,369
Amounts owed to group undertakings	3,308,507	2,465,229
Other creditors	14,889	18,609
Accruals and deferred income	8,646	73,498
	<u>3,350,687</u>	<u>2,562,705</u>

Amounts owed to group companies are interest free and have no specific repayment terms and may therefore be due after more than one year

### 11. DEFERRED TAXATION

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows

	2013	2012
	£	£
Deferred tax not provided - on disposal of revalued assets	<u>54,647</u>	<u>368,899</u>

### 12. CONTINGENCIES

This company has given cross guarantees in respect of group borrowings from its bankers. The company has also entered into a group offset arrangement with its bankers. Security given includes a debenture over the whole assets of the company. The company has also given a guarantee to the bankers of a fellow subsidiary in respect of that company's borrowings.

### 13. RELATED PARTY TRANSACTIONS

Advantage is taken of the exemption for wholly owned subsidiaries given in Financial Reporting Standard number 8 "Related Party Disclosures" from the requirement to separately disclose transactions with group companies.

### 14. SHARE CAPITAL

Allotted, called up and fully paid:

	2013		2012	
	No	£	No	£
Ordinary shares of £1 each	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>	<u>210,000</u>

# YORK & DISTRICT INVESTMENT COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2013

### 15. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 October 2012	4,267,489	1,505,343
Profit for the year	–	117,830
Equity dividends	–	(4,000,000)
Other gains and losses		
- Revaluation of fixed assets	60,000	–
Other movements		
- transfer to/from revaluation reserve	(2,413,173)	2,413,173
At 30 September 2013	<u>1,914,316</u>	<u>36,346</u>

### 16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit/(Loss) for the financial year	117,830	(65,350)
Other net recognised gains and losses	60,000	250,000
Equity dividends	(4,000,000)	(840,000)
Realised in year	–	300,000
Net reduction to shareholders' funds	(3,822,170)	(355,350)
Opening shareholders' funds	<u>5,982,832</u>	<u>6,338,182</u>
Closing shareholders' funds	<u>2,160,662</u>	<u>5,982,832</u>

### 17. ULTIMATE PARENT COMPANY

The accounts of this company are included in the consolidated accounts of Broadland Properties Limited, which is regarded as the company's ultimate parent company