

Company Registration No. 05288991 (England and Wales)

F H FLETCHER GATE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2012

TUESDAY



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F H FLETCHER GATE LIMITED

COMPANY INFORMATION

Directors D J Kennedy
J N Shaw FRICS
P C Schorb FCCA

Secretary P C. Schorb FCCA

Company number 05288991

Registered office St John's House
East Street
Leicester
LE1 6NB

Auditors Clear & Lane
340 Melton Road
Leicester
LE4 7SL

Business address St John's House
East Street
Leicester
LE1 6NB

Bankers Lloyds TSB Bank Plc
7 High Street
Leicester
LE1 4FP

Solicitors Druces and Attlee
Salisbury House
London Wall
London
EC2M 5PS

Spearing Waite
41 Friar Lane
Leicester
LE1 5RB

F H FLETCHER GATE LIMITED

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F H FLETCHER GATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2012

The directors present their report and financial statements for the year ended 31 January 2012

Principal activities and review of the business

The principal activity of the Company continues to be that of property investment

A detailed review of the business of the company is contained within the Chairman's statement in Glenstone Property PLC's financial statements, the company's ultimate parent company

Results and dividends

The results for the year are set out on page 5

Directors

The following directors have held office since 1 February 2011

D J Kennedy
J N Shaw
P C Schorb

Creditor payment policy

It is the policy of the Company to agree payment terms with suppliers when entering into each transaction or series of transactions to ensure that suppliers are made aware of these terms and to abide by them. Creditor days at the end of the year were 7 days (2011: 7 days)

Auditors

In accordance with the company's articles, a resolution proposing that Clear & Lane be reappointed as auditors of the company will be put to the Annual General Meeting

F H FLETCHER GATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

Statement of 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 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



P C Schorb FCCA

Secretary

20 April 2012

F H FLETCHER GATE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF F H FLETCHER GATE LIMITED

We have audited the financial statements of F H Fletcher Gate Limited for the year ended 31 January 2012 set out on pages 5 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 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.

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 January 2012 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

The information given in the directors' report is consistent with the financial statements.

F H FLETCHER GATE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF F H FLETCHER GATE LIMITED

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



Ian Hunt FCA (Senior Statutory Auditor)
for and on behalf of Clear & Lane
Chartered Accountants
Statutory Auditor

340 Melton Road
Leicester
LE4 7SL

20 April 2012

F H FLETCHER GATE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2012

		2012	2011
	Notes	£	£
Turnover	2	314,840	330,750
Cost of sales		(60,089)	(32,205)
Gross profit		<u>254,751</u>	<u>298,545</u>
Administrative expenses		(2,031)	(1,914)
Operating profit	3	252,720	296,631
Interest payable and similar charges	4	(220,011)	(199,555)
Profit on ordinary activities before taxation		<u>32,709</u>	<u>97,076</u>
Tax on profit on ordinary activities	5	(6,595)	(20,386)
Profit for the year	11	<u><u>26,114</u></u>	<u><u>76,690</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

F H FLETCHER GATE LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 JANUARY 2012

	2012	2011
	£	£
Profit for the financial year	26,114	76,690
Unrealised deficit on revaluation of properties	(374,000)	(426,000)
Total recognised gains and losses relating to the year	<u>(347,886)</u>	<u>(349,310)</u>

F H FLETCHER GATE LIMITED

BALANCE SHEET

AS AT 31 JANUARY 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	6	3,800,000		4,174,000	
Investments	7		1		1
			<u>3,800,001</u>		<u>4,174,001</u>
Current assets					
Debtors	8	5,065		6,229	
Cash at bank and in hand		<u>1,614</u>		<u>5,251</u>	
		6,679		11,480	
Creditors: amounts falling due within one year	9	<u>(5,365,562)</u>		<u>(5,396,477)</u>	
Net current liabilities			<u>(5,358,883)</u>		<u>(5,384,997)</u>
Total assets less current liabilities			<u><u>(1,558,882)</u></u>		<u><u>(1,210,996)</u></u>
Capital and reserves					
Called up share capital	10		1		1
Revaluation reserve	11	(1,326,000)		(952,000)	
Profit and loss account	11	(232,883)		(258,997)	
Shareholders' funds	12		<u><u>(1,558,882)</u></u>		<u><u>(1,210,996)</u></u>

Approved by the Board and authorised for issue on 20 April 2012

D J Kennedy
Director



J N Shaw FRICS
Director



F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2012

1 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated

1.1 Basis of preparation

The Company has prepared the financial statements on a going concern basis based on the continued support of the other group Companies

These financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (GAAP) and the Companies Act 2006. The Company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement. The Company is a wholly owned subsidiary of Glenstone Property Plc, whose financial statements include a consolidated cash flow statement dealing with the cash flow of the group

1.2 Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Company controls another entity

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Company. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The difference between the cost of acquisition and the fair value of the Group's share of the identifiable net assets of the subsidiary acquired is accounted for as goodwill or negative goodwill

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

1 Accounting policies

(Continued)

1.3 Investment properties

Investment property comprises of long leasehold buildings. These comprise retail units, and are measured initially at cost, including related transaction costs. These are held as investments to earn rental income and for capital appreciation and are stated at fair value at the Balance Sheet date.

After initial recognition investment property is carried at fair value, based on market values, it is then determined annually by independent external valuers or held at Directors' valuation if appropriate. The surplus or deficit arising from these valuations are transferred to or from revaluation reserve. When an existing investment property is redeveloped for continued future use as an investment property, it remains an investment property whilst in development.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions.

Subsequent expenditure is added to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Profit and Loss Account during the financial period in which they are incurred.

The gain or loss arising on the disposal of investment properties is determined as the difference between the net sale proceeds and the carrying value of the asset at the beginning of the period and is recognised in the Profit and Loss Account.

1.4 Debtors

Trade debtors are recognised initially at invoice value and are subsequently measured less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables concerned. The amount of the provision is recognised in the Profit and Loss Account.

1.5 Cash at bank and in hand

Cash at bank and in hand are carried in the Balance Sheet at cost. They comprise cash in hand and deposits held on call with banks. Bank overdrafts are included within borrowings in current liabilities on the Balance Sheet.

1.6 Borrowings

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the Balance Sheet date.

1.7 Turnover

Turnover represents rents receivable from investment properties.

1.8 Revenue recognition

(a) Rental income

Revenue comprises the fair value of rental income, service charges and management charges from properties (net of value added tax).

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

1 Accounting policies

(Continued)

This income is recognised as it falls due, in accordance with the lease to which it relates. Any lease incentives are spread evenly across the period of the lease.

(b) Interest income

Interest income on any short-term deposits is recognised in the Profit and Loss Account as it accrues.

1.9 Taxation

The tax charge in the Profit and Loss Account comprises tax currently payable and deferred tax.

(a) Deferred Taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

Deferred tax is not recognised on timing differences arising on the revaluation of investment properties unless, by the balance sheet date, a binding agreement to sell the revalued asset has been entered into and recognised gains and losses are expected to arise on the sale.

(b) Current Tax

The charge for current tax is based on the results for the period as adjusted for items which are non-assessable or disallowed. It is calculated using rates of tax that have been enacted by the Balance Sheet date.

1.10 Financial risk management

The Company's activities expose it to a variety of financial risks, credit risk, liquidity risk and cash flow interest rate risk.

(a) Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that rental contracts are made with customers with an appropriate credit history. The Company has policies that limit the amount of credit exposure to any financial institution. The Company has no significant concentration of credit risk as exposure is spread over a number of tenants.

(b) Cash flow and interest rate risk

The Company has no significant interest bearing assets. Borrowings issued at variable rates expose the Company to cash flow interest rate risk.

(c) Capital risk

The Company's objective in managing capital is to build a strong capital base to support current operations and planned growth, without the requirement for future support from other group Companies.

The Company is not subject to external regulatory capital requirements.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

3	Operating profit	2012	2011
		£	£
	Operating profit is stated after charging		
	Fees payable to the company's auditor for the audit of the company's annual accounts	1,845	1,800
		<u>1,845</u>	<u>1,800</u>
4	Interest payable	2012	2011
		£	£
	On amounts payable to group companies	219,986	199,460
	On bank loans and overdrafts	25	95
		<u>220,011</u>	<u>199,555</u>
5	Taxation	2012	2011
		£	£
	Domestic current year tax		
	U.K. corporation tax	6,595	20,386
	Total current tax	<u>6,595</u>	<u>20,386</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	32,709	97,076
		<u>32,709</u>	<u>97,076</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.16% (2011 - 21.00%)	6,595	20,386
		<u>6,595</u>	<u>20,386</u>
	Current tax charge for the year	<u>6,595</u>	<u>20,386</u>

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

6 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 February 2011	4,174,000
Revaluation	(374,000)
	<hr/>
At 31 January 2012	3,800,000
	<hr/>
Net book value	
At 31 January 2012	3,800,000
	<hr/> <hr/>
At 31 January 2011	4,174,000
	<hr/> <hr/>

At the year end, the investment properties were revalued by Jones Lang LaSalle Ltd, Chartered Surveyors on an open market basis for existing use

The cost and net book value of the property prior to its reclassification from a development property to a fixed asset investment property under the historical cost convention amounted to £5,388,595

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

7 Fixed asset investments

	Shares in subsidiary undertakings £
Cost or valuation	
At 1 February 2011 & at 31 January 2012	1
Net book value	
At 31 January 2012	1
At 31 January 2011	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
F H Fletcher Gate Residential Limited	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2012 £	Profit/(loss) for the year 2012 £
	Principal activity		
F H Fletcher Gate Residential Limited	Dormant	1	-

8 Debtors

	2012 £	2011 £
Trade debtors	5,064	6,228
Other debtors	1	1
	<u>5,065</u>	<u>6,229</u>

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

9 Creditors: amounts falling due within one year	2012	2011
	£	£
Bank loans and overdrafts - secured	-	3,256
Trade creditors	116,455	80,704
Amounts owed to parent and fellow subsidiary undertakings	5,225,646	5,280,399
Corporation tax	6,595	20,386
Other taxes and social security costs	15,001	9,897
Accruals and deferred income	1,865	1,835
	<u>5,365,562</u>	<u>5,396,477</u>

The overdraft is secured by a first legal charge over a number of the Group's properties

10 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

11 Statement of movements on reserves	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 February 2011	(952,000)	(258,997)
Profit for the year	-	26,114
Revaluation during the year	(374,000)	-
Balance at 31 January 2012	<u>(1,326,000)</u>	<u>(232,883)</u>

12 Reconciliation of movements in shareholders' funds	2012	2011
	£	£
Profit for the financial year	26,114	76,690
Other recognised gains and losses	(374,000)	(426,000)
Net depletion in shareholders' funds	(347,886)	(349,310)
Opening shareholders' funds	<u>(1,210,996)</u>	<u>(861,686)</u>
Closing shareholders' funds	<u>(1,558,882)</u>	<u>(1,210,996)</u>

F H FLETCHER GATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2012

13 Contingent liabilities

There is an omnibus guarantee and set off agreement in favour of the company's bankers for amounts due by group companies

At 31 January 2012 the net liability owed to the bank by all other group undertakings, amounted to £19,359,429 (2011 - £13,890,998)

14 Employees

Number of employees

There were no employees during the year apart from the directors

15 Control

The company is a wholly owned subsidiary of Frankton House Limited, a company registered in England and Wales

The ultimate parent undertaking is Glenstone Property Plc, a company registered in England and Wales

Copies of Glenstone Property Plc's consolidated accounts are available from the Company Secretary at St John's House, East Street, Leicester, LE1 6NB This is the largest and the smallest group into which the results are consolidated

16 Related party relationships and transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

F H FLETCHER GATE LIMITED
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 JANUARY 2012

F H FLETCHER GATE LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2012

		2012		2011
	£	£	£	£
Turnover				
Rent receivable		314,840		330,750
Cost of sales				
Expenditure on properties	59,287		6,915	
Bad debts	802		25,290	
		<u>(60,089)</u>		<u>(32,205)</u>
Gross profit		254,751		298,545
Administrative expenses		<u>(2,031)</u>		<u>(1,914)</u>
Operating profit		252,720		296,631
Interest payable				
Interest payable to group companies	219,986		199,460	
Bank interest paid	25		95	
		<u>(220,011)</u>		<u>(199,555)</u>
Profit before taxation		<u>32,709</u>		<u>97,076</u>
