

Financial Statements Silvergrad Limited

For the year ended 30 September 2011



Registered number: 1460104

Silvergrad Limited

Company Information

Directors	A J Langton M G L Curle I C Tickler (resigned 13 December 2011) J Hughes (appointed 13 December 2011)
Company secretary	J Hughes
Company number	1460104
Registered office	440 Kings Road London SW10 0LH
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Enterprise House 115 Edmund Street Birmingham West Midlands B3 2HJ

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Directors' report

For the year ended 30 September 2011

The directors present their report and the financial statements for the year ended 30 September 2011

Principal activity

The principal activity of the company during the year was that of property holding and renting to other members of the Aylesford Holdings Limited group of companies

Directors

The directors who served during the year were

A J Langton
M G L Curle
I C Tickler

Dividends

The directors do not propose a dividend for the year (2010 £nil)

Directors' responsibilities statement

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 judgments and 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

Silvergrad Limited

Directors' report

For the year ended 30 September 2011

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that


- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

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


J Hughes
Secretary

Date 26 June 2012

Independent auditor's report to the members of Silvergrad Limited

We have audited the financial statements of Silvergrad Limited for the year ended 30 September 2011, 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 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 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

As explained more fully in the Directors' responsibilities statement, 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

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm

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 2011 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.

Independent auditor's report to the members of Silvergrad 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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report



Mark Taylor (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Birmingham

26 June 2012

Profit and loss account

For the year ended 30 September 2011

	Note	2011 £	2010 £
Turnover	1,2	77,000	77,000
Administrative expenses		(1,944)	(1,450)
Other operating income	3	-	2,380
Operating profit	4	75,056	77,930
Interest payable and similar charges	6	(151)	-
Profit on ordinary activities before taxation		74,905	77,930
Tax on profit on ordinary activities	7	(16,034)	(100,937)
Profit/(loss) for the financial year		58,871	(23,007)

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 7 to 12 form part of these financial statements

Balance sheet

As at 30 September 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	8		1,452,530		1,452,530
Current assets					
Debtors	9	150,949		176,694	
Creditors' amounts falling due within one year	10	(16,356)		(100,972)	
Net current assets			<u>134,593</u>		<u>75,722</u>
Total assets less current liabilities			<u>1,587,123</u>		<u>1,528,252</u>
Capital and reserves					
Called up share capital	11		200		200
Revaluation reserve	12		1,386,251		1,386,251
Profit and loss account	12		200,672		141,801
Shareholders' funds	13		<u>1,587,123</u>		<u>1,528,252</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



A J Langton
Director

Date 26 June 2012

The notes on pages 7 to 12 form part of these financial statements

Notes to the financial statements

For the year ended 30 September 2011

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and in accordance with applicable accounting standards

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors are pleased to report that the company has sufficient liquid resources to meet its working capital requirements for the foreseeable future.

1.3 Turnover

Turnover represents amounts receivable for rent net of value added tax and is recognised over the life of the rental agreement.

1.4 Tangible fixed assets and depreciation

The freehold property is maintained as a matter of company policy by a programme of repair and refurbishment such that the residual value is at least equal to the book value and the useful economic life of the asset is considered to be greater than 50 years. As a result the asset is not depreciated as any charge would be immaterial.

The freehold property is revalued once every three years, to an open market value, by an independent Chartered surveyor.

The freehold property is subject to an annual impairment review under Financial Reporting Standard 11. No impairment has been thought to have occurred in each of these financial periods.

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 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 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.

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.

Notes to the financial statements

For the year ended 30 September 2011

1. Accounting policies (continued)

1.6 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.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity.

All turnover arose within the United Kingdom.

3. Other operating income

	2011	2010
	£	£
Other operating income	-	2,380
	<u> </u>	<u> </u>

4. Operating profit

The operating profit is stated after charging:

	2011	2010
	£	£
Auditors' remuneration	1,000	1,000
	<u> </u>	<u> </u>

5. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2010 - £NIL).

Notes to the financial statements

For the year ended 30 September 2011

6. Interest payable and similar charges

	2011	2010
	£	£
Other interest payable	151	-

7. Taxation

	2011	2010
	£	£
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	15,356	185,898
Adjustments in respect of prior periods	678	(84,961)
Tax on profit on ordinary activities	16,034	100,937

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2010 - higher than) the standard rate of corporation tax in the UK of 20.5% (2010 - 20.5%). The differences are explained below

	2011	2010
	£	£
Profit on ordinary activities before tax	74,905	77,930
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2010 - 20.5%)	15,356	15,976
Effects of:		
Adjustments in respect of prior years	678	84,961
Current tax charge for the year (see note above)	16,034	100,937

There is an unprovided deferred tax asset of £348,000 (2010 £348,000) in respect of the revaluation gain on the freehold land and holdings

Notes to the financial statements

For the year ended 30 September 2011

8. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 October 2010 and 30 September 2011	1,452,530
Depreciation	
At 1 October 2010 and 30 September 2011	-
Net book value	
At 30 September 2011	1,452,530
At 30 September 2010	1,452,530

The freehold land and buildings were valued on an open market basis by Colliers CRE, a firm of independent Chartered Surveyors on 5 February 2010. The freehold property is subject to an annual impairment review. No impairment has been thought to have occurred in each of these financial periods.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2011 £	2010 £
Cost	66,729	66,729
Accumulated depreciation	-	-
Net book value	66,729	66,729

9. Debtors

	2011 £	2010 £
Amounts owed by group undertakings	150,949	176,694

Notes to the financial statements

For the year ended 30 September 2011

10. Creditors:**Amounts falling due within one year**

	2011 £	2010 £
Corporation tax	15,356	99,972
Other creditors	1,000	1,000
	<u>16,356</u>	<u>100,972</u>

11. Share capital

	2011 £	2010 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares shares of £1 each	100	100
100 Deferred shares shares of £1 each	100	100
	<u>200</u>	<u>200</u>

The deferred shares carry no rights to attend or vote in any general meeting of the company and no rights to dividends or to participate in the profits or assets of the company

12. Reserves

	Revaluation reserve £	Profit and loss account £
At 1 October 2010	1,386,251	141,801
Profit for the year		58,871
At 30 September 2011	<u>1,386,251</u>	<u>200,672</u>

13. Reconciliation of movement in shareholders' funds

	2011 £	2010 £
Opening shareholders' funds	1,528,252	1,551,259
Profit/(loss) for the year	58,871	(23,007)
Closing shareholders' funds	<u>1,587,123</u>	<u>1,528,252</u>

Notes to the financial statements

For the year ended 30 September 2011

14. Related party transactions

As the company is a wholly owned subsidiary of Aylesford Holdings Limited, 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 parent company

15. Contingent liabilities

Aylesford & Co (Estate Agents) Limited, a sister company, had a bank overdraft facility at the year end. The overdraft facility is secured by freehold property and associated assets held by Silvergrad Limited. The company, Aylesford & Co (Estate Agents) Limited and Aylesford Holdings Limited have also provided an unlimited guarantee to the Royal Bank of Scotland in relation to this overdraft facility.

16. Ultimate parent undertaking and controlling party

The company is an immediate subsidiary undertaking of Aylesford Holdings Limited, a company registered in England and Wales. Aylesford Holdings Limited is the largest group of undertakings for which group accounts are prepared in the UK. The consolidated accounts are available to the public and may be obtained from The Registrar of Companies, Companies House, Crown Way, Mandy, Cardiff CF4 3UZ.

The ultimate holding company is Aylesford International Holdings SA, a company registered in the British Virgin Islands. The directors are not aware of the identity of the ultimate controlling party.