

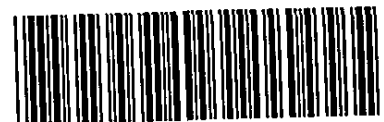
Company Registration No. 1321490 (England and Wales)

**LONDON & SURREY PROPERTY HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2010**

**Cavendish**  
Chartered Certified Accountants  
Statutory Auditor  
4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

Ref 4272

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COMPANIES HOUSE

# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	A C Smith P J Horsman (Appointed 12 October 2010)
<b>Secretary</b>	S A Khan
<b>Company number</b>	1321490
<b>Registered office</b>	Parkway House Sheen Lane East Sheen London SW14 8LS
<b>Auditors</b>	Cavendish Chartered Certified Accountants Statutory Auditor 4th Floor, Centre Heights 137 Finchley Road London NW3 6JG
<b>Business address</b>	Parkway House Sheen Lane East Sheen London SW14 8LS
<b>Bankers</b>	Bank of Scotland St James's Gate 14-16 Cockspur Street London SW1Y 5BL  Nationwide Building Society 6 Tanners Road London Road Bagshot Surrey GU19 5HD

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# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

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# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2010**

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The directors present their report and financial statements for the year ended 31 March 2010

### **Principal activities**

The principal activity of the company in the year under review was property development and investment

### **Directors**

The following directors have held office since 1 April 2009

A C Smith

C L Smith

P J Horsman

(Resigned 5 April 2010)

(Appointed 12 October 2010)

### **Auditors**

The auditors, Cavendish, are deemed to be reappointed under section 487(2) of the Companies Act 2006

### **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,
- 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

# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2010**

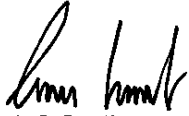
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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



A C Smith

**Director**

18 November 2010

# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF LONDON & SURREY PROPERTY HOLDINGS LIMITED**

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We have audited the financial statements of London & Surrey Property Holdings Limited for the year ended 31 March 2010 set out on pages 5 to 11. 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).

#### **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 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, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 14 to the financial statements.

#### **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.

#### **Qualified opinion arising from disagreement about accounting treatment**

Freehold land and buildings owned by the company for investment purposes are included in the financial statements at historical cost. This is not in accordance with Statement of Standard Accounting Practice No 19 Accounting for Investment Properties which requires investment properties to be included at open market value at the balance sheet date. We are unable to quantify the financial effects of this departure, which potentially results in misstatement of the value of investment properties and revaluation reserves in the balance sheet, and the profit on disposal of fixed assets in the profit and loss account.

Except for the failure to revalue investment properties, in our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF LONDON & SURREY PROPERTY HOLDINGS 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 and the directors' report in accordance with the small companies regime



**Sonja Henry ACA (Senior Statutory Auditor)**  
for and on behalf of Cavendish

Chartered Certified Accountants  
Statutory Auditor

19 November 2010

4th Floor, Centre Heights  
137 Finchley Road  
London NW3 6JG

# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

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		2010	2009
	Notes	£	£
<b>Turnover</b>		2,094,531	2,061,282
Distribution costs		(692,024)	(696,115)
Administrative expenses		(225,744)	(212,228)
Other operating income		-	396,448
<b>Operating profit</b>	<b>2</b>	<b>1,176,763</b>	<b>1,549,387</b>
Investment income	<b>3</b>	20	20
Other interest receivable and similar income	<b>3</b>	57	11,654
Interest payable and similar charges		(94,126)	(152,614)
<b>Profit on ordinary activities before taxation</b>		<b>1,082,714</b>	<b>1,408,447</b>
Tax on profit on ordinary activities	<b>4</b>	(282,114)	(401,359)
<b>Profit for the year</b>	<b>12</b>	<b>800,600</b>	<b>1,007,088</b>

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# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Tangible assets	6 and 7	15,227,677		14,259,000	
<b>Current assets</b>					
Debtors	8	652,946		215,695	
Cash at bank and in hand		100		100	
		<u>653,046</u>		<u>215,795</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(3,305,204)</u>		<u>(1,812,245)</u>	
<b>Net current liabilities</b>		<u>(2,652,158)</u>		<u>(1,596,450)</u>	
<b>Total assets less current liabilities</b>		12,575,519		12,662,550	
<b>Creditors: amounts falling due after more than one year</b>	10	<u>(999,404)</u>		<u>(1,187,035)</u>	
		<u>11,576,115</u>		<u>11,475,515</u>	
<b>Capital and reserves</b>					
Called up share capital	11	379		379	
Share premium account	12	1,637,414		1,637,414	
Profit and loss account	12	9,938,322		9,837,722	
<b>Shareholders' funds</b>		<u>11,576,115</u>		<u>11,475,515</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 18 November 2010



A C Smith  
Director

Company Registration No. 1321490

# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

### 1 Accounting policies

#### 1.1 Accounting convention

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

#### 1.2 Turnover

Turnover represents rents receivable

#### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	25% Straight line
Fixtures, fittings & equipment	25% Straight line

#### 1.4 Deferred taxation

Deferred tax is recognised in respect of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using a full provision basis. Deferred tax is measured on a non-discounted basis at the tax rates expected to apply in the periods in which timing differences reverse, based on tax rates or laws enacted or substantively enacted at the balance sheet date

Deferred tax assets are only recognised when they arise from timing differences where their recoverability is regarded as more likely than not

#### 1.5 Investment Properties

Investment properties are included in the financial statements at cost

2	Operating profit	2010	2009
		£	£
	Operating profit is stated after charging		
	Auditors' remuneration	8,400	8,400
	Directors' emoluments	72,397	69,405
	Profit on sale of tangible assets	-	(396,448)
		<u>72,397</u>	<u>(396,448)</u>
3	Investment income	2010	2009
		£	£
	Income from fixed asset investments	20	20
	Bank interest	57	11,654
		<u>77</u>	<u>11,674</u>

# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2010

4 Taxation	2010	2009
	£	£
Domestic current year tax		
U K corporation tax	282,114	369,985
Adjustment for prior years	-	31,374
<b>Current tax charge</b>	<u>282,114</u>	<u>401,359</u>

5 Dividends	2010	2009
	£	£
Ordinary interim paid	<u>700,000</u>	<u>200,000</u>

6 Tangible fixed assets	Plant and machinery etc
	£
<b>Cost</b>	
At 1 April 2009 & at 31 March 2010	<u>528,491</u>
<b>Depreciation</b>	
At 1 April 2009 & at 31 March 2010	<u>528,491</u>
<b>Net book value</b>	
At 31 March 2010	<u>-</u>

7 Tangible fixed assets	Investment properties
	£
<b>Cost</b>	
At 1 April 2009	14,259,000
Additions	1,034,919
Disposals	(66,242)
<b>At 31 March 2010</b>	<u>15,227,677</u>

# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

8 Debtors	2010 £	2009 £
Trade debtors	45,464	78,788
Other debtors	607,482	136,907
	<u>652,946</u>	<u>215,695</u>
	<u><u>652,946</u></u>	<u><u>215,695</u></u>
9 Creditors: amounts falling due within one year	2010 £	2009 £
Bank loans and overdrafts	1,606,699	941,318
Taxation and social security	285,689	372,586
Other creditors	1,412,816	498,341
	<u>3,305,204</u>	<u>1,812,245</u>
	<u><u>3,305,204</u></u>	<u><u>1,812,245</u></u>
10 Creditors: amounts falling due after more than one year	2010 £	2009 £
Bank loans	999,404	1,187,035
	<u>999,404</u>	<u>1,187,035</u>
	<u><u>999,404</u></u>	<u><u>1,187,035</u></u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments	367,404	671,035
Wholly repayable within five years	486,369	775,761
	<u>1,157,404</u>	<u>1,446,796</u>
Included in current liabilities	(158,000)	(259,761)
	<u>999,404</u>	<u>1,187,035</u>
	<u><u>999,404</u></u>	<u><u>1,187,035</u></u>
Instalments not due within five years	<u>367,404</u>	<u>671,035</u>
	<u><u>367,404</u></u>	<u><u>671,035</u></u>

Bank loans are secured by fixed and floating charges over the company's assets

# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2010

<b>11 Share capital</b>	<b>2010</b>	<b>2009</b>
	£	£
<b>Allotted, called up and fully paid</b>		
379 Ordinary shares of £1 each	379	379
	<u>          </u>	<u>          </u>
<b>12 Statement of movements on reserves</b>	<b>Share premium account</b>	<b>Profit and loss account</b>
	£	£
Balance at 1 April 2009	1,637,414	9,837,722
Profit for the year	-	800,600
Dividends paid	-	(700,000)
	<u>          </u>	<u>          </u>
Balance at 31 March 2010	1,637,414	9,938,322
	<u>          </u>	<u>          </u>
<b>13 Capital commitments</b>	<b>2010</b>	<b>2009</b>
	£	£
At 31 March 2010 the company had capital commitments as follows		
Contracted for but not provided in the financial statements	40,000	709,438
Authorised but not contracted for	400,000	-
	<u>          </u>	<u>          </u>
	440,000	709,438
	<u>          </u>	<u>          </u>

#### 14 Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to assist with the preparation of the financial statements

#### 15 Control

The controlling party is C L Smith by virtue of his shareholdings in the company

# **LONDON & SURREY PROPERTY HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2010**

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#### **16 Related party relationships and transactions**

During the year the company paid rent of £50,000 (2009 £50,000) and management fees of £104,726 (2009 £94,819) at arm's length to Lawrence Smith & Co, a practice owned by C L Smith, the company's controlling party. Included in trade debtors are amounts totalling £45,464 (2009 £78,788) relating to net rents held by Lawrence Smith & Co, the company's managing agents. Other debtors include a loan of £500,000 to Amdale Securities Limited, a company in which A C Smith, one of this company's directors, is a director and shareholder. The loan is interest bearing and made at arms-length. Included in accruals are amounts totalling £151,749 (2009 £94,671) due to the managing agents, Lawrence Smith & Co. Other creditors include £502,423 (2009 £233,848) due from Deemark Limited, in which one of this company's directors, A C Smith, is also a director and shareholder.

As at 31 March 2010 amounts totalling £420,458 (2009 £86,133) were due to C L Smith and included in creditors.

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**LONDON & SURREY PROPERTY HOLDINGS LIMITED**

**MANAGEMENT INFORMATION**

**FOR THE YEAR ENDED 31 MARCH 2010**

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# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
<b>Turnover</b>		
Rent receivable	2,094,531	2,061,282
	<u>2,094,531</u>	<u>2,061,282</u>
<b>Operating costs</b>	692,024	696,115
<b>Administrative expenses</b>	<u>225,744</u>	<u>212,228</u>
	(917,768)	(908,343)
	<u>1,176,763</u>	<u>1,152,939</u>
<b>Other operating income</b>		
Profit on sale of fixed assets	-	396,448
	<u>1,176,763</u>	<u>1,549,387</u>
<b>Operating profit</b>		
<b>Other interest receivable and similar income</b>		
Bank interest received (gross)	57	11,654
<b>Income from investments</b>		
Dividends receivable	20	20
<b>Interest payable</b>		
Bank interest payable	56,258	22,922
Loan interest paid on loans >5yrs	32,461	108,150
Interest on overdue taxation	<u>5,407</u>	<u>21,542</u>
	(94,126)	(152,614)
<b>Profit before taxation</b>	<u><u>1,082,714</u></u>	<u><u>1,408,447</u></u>



# LONDON & SURREY PROPERTY HOLDINGS LIMITED

## SCHEDULE OF OPERATING COSTS AND ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
<b>Operating costs</b>		
Rent and service charges	79,728	62,443
Rates	33,657	49,889
Insurance	45,457	44,106
Light and heat	76,788	82,819
Repairs and maintenance	274,301	277,731
Advertising	2,140	1,791
Commission	133,833	130,339
Legal and professional	1,597	3,434
Sundry and cleaning	44,523	43,563
	<u>692,024</u>	<u>696,115</u>
<b>Administrative expenses</b>		
Salaries	45,497	40,178
Directors' remuneration	72,397	69,405
Social security costs	11,995	10,023
Rent	50,000	50,000
Printing, postage and stationery	889	1,025
Telephone	1,879	2,759
Travelling expenses	2,539	5,222
Legal and professional	19,776	14,170
Accountancy	7,603	7,272
Audit fees	8,400	8,400
Bank charges	2,793	1,809
Sundry expenses	1,976	1,965
	<u>225,744</u>	<u>212,228</u>