

Company Registration No. 05288991 (England and Wales)

**F H FLETCHER GATE LIMITED**  
**ANNUAL REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2014**

# **F H FLETCHER GATE LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D J Kennedy P C Schorb FCCA
<b>Secretary</b>	P C Schorb FCCA
<b>Company number</b>	05288991
<b>Registered office</b>	St. John's House East Street Leicester LE1 6NB
<b>Auditors</b>	Clear & Lane Limited 340 Melton Road Leicester LE4 7SL
<b>Business address</b>	St. John's House, East Street Leicester LE1 6NB
<b>Bankers</b>	Lloyds Bank plc 2nd Floor 125 Colmore Row Birmingham B3 3SF
<b>Solicitors</b>	Spearing Waite LLP 41 Friar Lane Leicester LE1 5RB  Druces and Attlee Salisbury House London Wall London EC2M 5PS

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# **F H FLETCHER GATE LIMITED**

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# **F H FLETCHER GATE LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 31 JANUARY 2014***

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The directors present their report and financial statements for the year ended 31 January 2014.

### **Principal activities and review of the business**

The principal activity of the Company ceased to be that of property investment on 31 January 2014, when the Company transferred its remaining investment property to its ultimate parent company at market value.

The directors have made use of the small companies' exemption in respect of preparing a strategic report, however, a detailed review of the business is contained within the Chairman's Statement and Strategic Report 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 2013:

D J Kennedy

J N Shaw FRICS

P C Schorb FCCA

(Retired 31 January 2014)

### **Auditors**

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

### **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.

# **F H FLETCHER GATE LIMITED**

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

***FOR THE YEAR ENDED 31 JANUARY 2014***

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### **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.

In preparing the Directors' Report the directors have taken advantage of the exemptions allowed for small companies as set out in the Companies Act 2006.

By order of the board

P C Schorb FCCA

**Secretary**

17 April 2014

# **F H FLETCHER GATE LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF F H FLETCHER GATE LIMITED**

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We have audited the financial statements of F H Fletcher Gate Limited for the year ended 31 January 2014 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. In addition, we read all the financial and non-financial information in the Directors' 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 31 January 2014 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.

## **F H FLETCHER GATE LIMITED**

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

#### **TO THE MEMBERS OF F H FLETCHER GATE 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.

**Ian Hunt FCA (Senior Statutory Auditor)**

**for and on behalf of Clear & Lane Limited**

**Chartered Accountants**

**Statutory Auditor**

340 Melton Road  
Leicester  
LE4 7SL

17 April 2014

## F H FLETCHER GATE LIMITED

### PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2014

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	Notes	2014 £	2013 £
<b>Turnover</b>	<b>2</b>	460,094	367,797
Cost of sales		2,788	(22,969)
<b>Gross profit</b>		<u>462,882</u>	<u>344,828</u>
Administrative expenses		(1,938)	(1,922)
<b>Operating profit</b>	<b>3</b>	<u>460,944</u>	<u>342,906</u>
Other interest receivable and similar income	<b>4</b>	9	-
Interest payable and similar charges	<b>5</b>	(195,364)	(192,505)
<b>Profit on ordinary activities before taxation</b>		<u>265,589</u>	<u>150,401</u>
Tax on profit on ordinary activities	<b>6</b>	(59,665)	(32,804)
<b>Profit for the year</b>	<b>12</b>	<u><u>205,924</u></u>	<u><u>117,597</u></u>

**F H FLETCHER GATE LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

*FOR THE YEAR ENDED 31 JANUARY 2014*

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	2014	2013
	£	£
Profit for the financial year	205,924	117,596
Unrealised surplus on revaluation of properties	-	697,663
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>	<b>205,924</b>	<b>815,259</b>
	<hr/> <hr/>	<hr/> <hr/>

# F H FLETCHER GATE LIMITED

## BALANCE SHEET

AS AT 31 JANUARY 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	7		-	4,500,000	
Investments	8		1		1
			<u>1</u>	<u>4,500,001</u>	
<b>Current assets</b>					
Debtors	9	4,431,556		4,623	
Cash at bank and in hand		85,586		192	
		<u>4,517,142</u>		<u>4,815</u>	
<b>Creditors: amounts falling due within one year</b>	10	(5,054,840)		(5,248,437)	
<b>Net current liabilities</b>			(537,698)		(5,243,622)
<b>Total assets less current liabilities</b>			<u>(537,697)</u>		<u>(743,621)</u>
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Revaluation reserve	12		-		(628,337)
Profit and loss account	12		(537,698)		(115,285)
<b>Shareholders' funds</b>	13		<u>(537,697)</u>		<u>(743,621)</u>

Approved by the Board and authorised for issue on 17 April 2014

D J Kennedy  
Director

Company Registration No. 05288991

# **F H FLETCHER GATE LIMITED**

## **BALANCE SHEET (CONTINUED)**

*AS AT 31 JANUARY 2014*

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### **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 under the historical cost convention as modified by the revaluation of land and buildings. 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

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

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**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).

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.

# F H FLETCHER GATE LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

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**1 Accounting policies** **(Continued)**

**(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

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

<b>3</b>	<b>Operating profit</b>	<b>2014</b>	<b>2013</b>
		£	£
	Operating profit is stated after charging:		
	Fees payable to the company's auditor for the audit of the company's annual accounts	1,870	1,855
		=====	=====
<b>4</b>	<b>Investment income</b>	<b>2014</b>	<b>2013</b>
		£	£
	Bank interest	9	-
		-----	-----
		9	-
		=====	=====
<b>5</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		£	£
	On amounts payable to group companies	195,364	192,465
	On bank loans and overdrafts	-	40
		-----	-----
		195,364	192,505
		=====	=====
<b>6</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		£	£
	<b>Domestic current year tax</b>		
	U.K. corporation tax	59,665	32,804
		-----	-----
	<b>Total current tax</b>	<b>59,665</b>	<b>32,804</b>
		=====	=====
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	265,589	150,400
		=====	=====
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.16% (2013 - 24.32%)	61,510	36,582
		-----	-----
	Effects of:		
	Marginal rate relief	(1,845)	(3,778)
		-----	-----
	<b>Current tax charge for the year</b>	<b>59,665</b>	<b>32,804</b>
		=====	=====

# F H FLETCHER GATE LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

### 7 Tangible fixed assets

	<b>Investment properties</b>
	<b>£</b>
<b>Valuation</b>	
At 1 February 2013	4,500,000
Transferred to ultimate parent company	(4,500,000)
	<hr/>
At 31 January 2014	-
	<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. These properties were then transferred to the ultimate parent company, Glenstone Property Plc.

The cost and net book value of the investment properties under the historical cost convention amounted to £nil (2013: £5,390,932).

### 8 Fixed asset investments

	<b>Shares in subsidiary undertakings</b>
	<b>£</b>
<b>Cost or valuation</b>	
At 1 February 2013 & at 31 January 2014	1
	<hr/>
<b>Net book value</b>	
At 31 January 2014	1
	<hr/>
At 31 January 2013	1
	<hr/> <hr/>

#### Holdings of more than 20%

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

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

# F H FLETCHER GATE LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

### 8 Fixed asset investments (Continued)

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

	Principal activity	Capital and reserves 2014 £	Profit/(loss) for the year 2014 £
F H Fletcher Gate Residential Limited	Dormant	1	-
		<u>1</u>	<u>-</u>
<b>9 Debtors</b>		<b>2014</b>	<b>2013</b>
		£	£
Trade debtors		25,314	4,622
Amounts owed to ultimate parent company		4,406,241	-
Other debtors		1	1
		<u>4,431,556</u>	<u>4,623</u>
<b>10 Creditors: amounts falling due within one year</b>		<b>2014</b>	<b>2013</b>
		£	£
Bank loans and overdrafts		-	3,978
Trade creditors		95,649	93,546
Amounts owed to parent and fellow subsidiary undertaking		4,874,594	5,098,112
Corporation tax		59,662	32,804
Other taxes and social security costs		23,023	18,112
Accruals and deferred income		1,912	1,885
		<u>5,054,840</u>	<u>5,248,437</u>
<b>11 Share capital</b>		<b>2014</b>	<b>2013</b>
		£	£
<b>Allotted, called up and fully paid</b>			
1 Ordinary shares of £1 each		1	1
		<u>1</u>	<u>1</u>

# F H FLETCHER GATE LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2014

### 12 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 February 2013	(628,337)	(115,285)
Profit for the year	-	205,924
Eliminated on transfer to ultimate parent company	628,337	(628,337)
	<u>          </u>	<u>          </u>
Balance at 31 January 2014	-	(537,698)
	<u>          </u>	<u>          </u>

### 13 Reconciliation of movements in shareholders' funds

	2014	2013
	£	£
Profit for the financial year	205,924	117,597
Other recognised gains and losses	-	697,663
	<u>          </u>	<u>          </u>
Net addition to shareholders' funds	205,924	815,260
Opening shareholders' funds	(743,621)	(1,558,881)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	(537,697)	(743,621)
	<u>          </u>	<u>          </u>

### 14 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 2014 the net liability owed to the bank by all other group undertakings, amounted to £15,806,104 (2013 - £18,420,600).

### 15 Employees

#### Number of employees

There were no employees during the year apart from the directors.

## **F H FLETCHER GATE LIMITED**

### **BALANCE SHEET (CONTINUED)**

*AS AT 31 JANUARY 2014*

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#### **16 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.

#### **17 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.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.