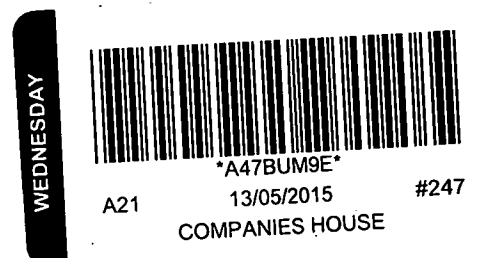


Liverpool and Chester Property Company Limited

Report and Accounts

31st December 2014

Company number: 19009



LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

YEAR ENDED 31ST DECEMBER 2014

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LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**YEAR ENDED 31ST DECEMBER 2014****COMPANY INFORMATION****Directors:**

GEOFFREY R LEECE, F.C.A. (Chairman)
DAVID I RENISON, LL.B. (Vice-Chairman)
PAUL ROBERTS, M.R.I.C.S. (Managing Director)
C EWAN McCAIG, F.R.I.C.S.
JENNIFER M HORNSBY (died 12th January 2015)
COLIN H RYAN, F.R.I.C.S.
DAVID C B WATKINS
KEITH PENNY, F.C.A.

Secretary and Registered Office:

ALLAN PELAN, BSc (Hons) M.R.I.C.S.
CORE PROPERTY MANAGEMENT & CONSULTANCY LIMITED
7 UNION COURT, LIVERPOOL L2 4SJ

Senior Statutory Auditor:

MICHAEL SERGI, B.A.(HONS), F.C.A.

Auditors:

PRIORY PRACTICE LIMITED
1 ABBOTS QUAY, MONKS FERRY, BIRKENHEAD, WIRRAL, MERSEYSIDE, CH41 5LH

Company Registration Number:

19009

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**NOTICE OF MEETING**

NOTICE IS HEREBY GIVEN that the one hundred and thirty-first Annual General Meeting of LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED, will be held at The Athenaeum, Church Alley, Church Street, Liverpool, L1 3DD, at 12.00 noon on Wednesday 29th April 2015, for the following purposes:

1. To receive and consider the Balance Sheet and Statement of Accounts made up to 31st December 2014 and the Reports of the Directors and Auditors thereon.
2. To elect Directors.
3. To elect auditors and authorise the Directors to fix the auditors' remuneration.
4. To transact any other ordinary business of the Company.

Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his/her stead. This will not prevent him/her from subsequently attending and voting at the meeting in person.

A proxy need not also be a member of the Company. Proxies must be lodged by post or hand delivery (not electronically) and received not later than forty-eight hours prior to the holding of the meeting and are available from the Company on request.



BY ORDER OF THE BOARD

**ALLAN PELAN
SECRETARY**

12th MARCH 2015

Registered Office:
7 Union Court
Cook Street
Liverpool L2 4SJ

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**YEAR ENDED 31ST DECEMBER 2014****CHAIRMAN'S STATEMENT**

My first and saddest act this year is to report the loss of our colleague Jennifer Hornsby who died on 12 January 2015. She was a Director of Model Land from 1958 until the five companies merged in 1990 when she joined the Toxteth Board and served for the next 24 years. Jen had a caring attitude to the welfare of our residential tenants and would support any scheme to improve the quality of their homes. Her stoic attitude shone through during her final illness which she faced with great courage and she will be fondly remembered.

In setting the scene for this year's report I shall quote from the penultimate paragraph of last year's Statement which read: "Our ability to maintain the current rate of dividend payments will be affected by the extent to which we are able to replace our lost income and this is our biggest challenge for 2014". I am happy to report that the challenge was met successfully as demonstrated in the attached accounts which show that the results for 2014 have mirrored the figures for the previous year.

Rents and other revenue income were £1,512,856 (£1,523,765) and after absorbing the higher cost of rates and repairs the profit before tax was £827,681 compared with £857,012 in 2013. A reduction in Corporation Tax helped to produce a post-tax revenue profit of £661,304 (£667,335) and the dividends paid during the year were maintained at 11.75% utilising £455,513 of revenue profits and adding £205,791 to revenue reserves. We sold an empty office building that was still producing a good rental income from a government agency but with the lease coming to an end we negotiated a £75,000 dilapidations claim and put the property in an auction to save empty rates, an increasingly heavy burden imposed on property owners by local authorities. The sale of this property helped our cash flow and also produced a tax-free gain which added £52,886 to our capital reserves.

However, one brief paragraph hardly does justice to the efforts that went into the production of these results and I would wish to elaborate on some of the difficulties we have faced in the past three years as regards four of our most valuable and productive properties. To add some colour to these pen-pictures I am enclosing photographs of the four properties.

The block of shops and bank in Allerton Road was our largest single income producer in 2011 with rents of £242,500. The demise of Peacocks and Blockbuster in the following year reduced this to £65,000 but we were spared empty rates by allowing the vacant tenancies to remain under the control of the Administrators. The local authority refused to grant a liquor licence for a restaurant but Poundland are now occupying the former Blockbuster double units. We had strong interest last year for splitting the other unit into two but no sooner had the planning process been completed than another retailer told us that they would take both units. They have now agreed to sign a 10 year lease and if they fulfill their promise the gross rents for the whole block should rise to £215,000.

The second property is Patten House, a modern office block situated in the centre of Warrington, which has been empty since the expiry of the leases with HSBC and Royal & Sun Alliance. We had been receiving rents of £82,000 per annum but are now paying empty rates as well as carrying out major refurbishment in order to attract new tenants. We are currently in negotiations with surveyors acting for the original tenants as regards their dilapidations liabilities and we have also agreed a new tenancy for part of the offices but we are still a long way from getting back to a full return for this unit.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**YEAR ENDED 31ST DECEMBER 2014****CHAIRMAN'S STATEMENT
(CONTINUED)**

The third property is Crewe Gates Farm, a large warehouse/storage unit situated in an industrial park close to Crewe railway station. It has been producing £88,000 per annum from a food manufacturing tenant that was taken over last year and the new owners have closed down the business. The expiry of the tenancy on 31 March 2015 has ended our rent flow although we are pursuing a claim for dilapidations. Our agent is optimistic that he will find a new tenant before empty rates start on 1 October 2015 but we may have to offer a rent-free period so it is unlikely that we shall receive any further rent this year.

The fourth concern revolves around the two modern office blocks on the outskirts of Knaresborough in North Yorkshire, situated in a mixed retail and industrial park. When the tenants of the smaller unit exercised their right to leave we signed a new lease with the American-owned company in the larger property to take both units. This company has committed to pay £138,000 rents until 2018 but has now been taken over by Smith & Nephew who has vacated both buildings. We are supporting our tenants in their search for new users but we shall also need to ensure that our own interests are protected.

Coping with business takeovers and closures is part of normal commercial life but when they come in batches they can cause problems for all concerned, especially for a property company that depends on a good flow of rental income. Since taking over the Chairmanship in 1997 I have appreciated that property management is not just a matter of demanding and collecting rents, it also requires a wealth of experience and the ability to react to situations caused by others. I have been hugely impressed by the skills and dedication applied by Paul Roberts and his colleagues at Core Property Management and at the back-up expertise provided by my colleagues on the Board. With three Surveyors, two Accountants, one Lawyer plus a Company Director who runs his own business we have an excellent blend of Directors with whom it is a pleasure to work and I thank them for their support.

The usual independent valuation of our property portfolio on 31 December 2014 was carried out by Mason Owen who assessed the total market value at £20,676,500 compared with the 2013 valuation of £20,723,200. There were no property purchases last year and after allowing for the one sale the increase in value was £213,300 representing a rise of 1.03% which the Board sees as good support for the strength of the portfolio.

The Board approved a final dividend of 6.5% which will be paid on 8 April 2015 bringing the total dividends for the year to an unchanged 11.75%. As regards the current year, the same caveat as expressed a year ago still applies and the shareholders should be assured that the Board will be striving to maintain the rate of dividend but will also be under pressure from the market forces in which we operate.

The Annual General Meeting will be held at 12 Noon on Wednesday 29 April 2015 at The Athenaeum in Liverpool City centre. All shareholders are welcome to attend and for those who are unable to be present there is a proxy form enclosed that can be completed and sent to our Secretary, Allan Pelan.

Geoffrey R Leece
Chairman



12th March 2015

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**REPORT OF THE DIRECTORS**

The Directors submit their Report and Statement of Accounts for the year ended 31st December 2014. The principal business of the Company continues to be investment in and management of tenanted freehold and leasehold properties.

The Directors shown on page 1 have held office during the whole of the period from 1st January 2014 to the date of this report unless otherwise stated.

In the opinion of the Directors, the open market value of the freehold and leasehold investment properties at 31st December 2014 was £20,676,500 (2013 - £20,723,200).

The Directors retiring by rotation are David C B Watkins and Keith Penny, both of whom have offered themselves for re-election.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Report of the Directors 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, Priory Practice Limited will be proposed for re-appointment at the forthcoming Annual General Meeting.

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



**BY ORDER OF THE BOARD
ALLAN PELAN
SECRETARY**

12th MARCH 2015

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2014

| | <u>Notes</u> | 2014 | | 2013 | |
|---|--------------|----------------------|-----------------------|----------------------|-----------------------|
| | | £ | £ | £ | £ |
| Rents receivable | 1 | | 1,419,856 | | 1,431,515 |
| Other Revenue Income | | | <u>93,000</u> | | <u>92,250</u> |
| | | | 1,512,856 | | 1,523,765 |
| Deduct expenses: | | | | | |
| Repairs, rates and insurance | | 247,911 | | 188,152 | |
| Property management commission | | 83,481 | | 81,758 | |
| Bank interest | | 101,352 | | 114,877 | |
| Chief and ground rents | | 8,483 | | 2,408 | |
| Sundry and professional fees | | <u>39,020</u> | <u>480,247</u> | <u>72,287</u> | <u>459,482</u> |
| | | | 1,032,609 | | 1,064,283 |
| Interest received | | | | | |
| Bank interest | | 18 | | 43 | |
| Other interest | | <u>-</u> | <u>18</u> | <u>-</u> | <u>43</u> |
| | | | 1,032,627 | | 1,064,326 |
| Deduct Administrative Expenses: | | | | | |
| General expenses | | 27,406 | | 29,834 | |
| Secretarial fee and expenses | | 30,000 | | 30,000 | |
| Directors' fees | | 142,500 | | 142,500 | |
| Audit fees | | <u>5,040</u> | <u>204,946</u> | <u>4,980</u> | <u>207,314</u> |
| Revenue profit before taxation | | | 827,681 | | 857,012 |
| Deduct Taxation: | | | | | |
| Corporation tax | 2 | | <u>166,377</u> | | <u>189,677</u> |
| Revenue profit after taxation | | | 661,304 | | 667,335 |
| Property surpluses during the year | | 52,886 | | - | |
| Corporation tax | 2 | <u>-</u> | <u>52,886</u> | <u>-</u> | <u>-</u> |
| Profit on ordinary activities after taxation | | | <u>714,190</u> | | <u>667,335</u> |

Dividends paid are shown in note 3.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

BALANCE SHEET AT 31ST DECEMBER 2014
(Registered number: 19009)

| | <u>Notes</u> | 2014 | | 2013 | |
|--|--------------|--------------------|---|--------------------|---|
| | | £ | £ | £ | £ |
| Tangible fixed assets | | | | | |
| Freehold properties | 4 | 10,653,109 | | 10,728,757 | |
| Long leasehold properties | 4 | <u>1,370,409</u> | | <u>1,370,409</u> | |
| | | 12,023,518 | | 12,099,166 | |
| Subsidiary companies | | | | | |
| Shares | 5 | 82,474 | | 82,474 | |
| Less amounts owing to subsidiaries | | <u>(82,474)</u> | - | <u>(82,474)</u> | - |
| Total fixed assets | | 12,023,518 | | 12,099,166 | |
| Current assets | | | | | |
| Sundry debtors and prepayments | | 79,922 | | 82,808 | |
| Cash at bank | | <u>68,538</u> | | - | |
| | | <u>148,460</u> | | <u>82,808</u> | |
| Creditors – Due within one year | | | | | |
| Bank overdraft | 6 | - | | 40,698 | |
| Bank loan | 6 | 283,337 | | 267,033 | |
| Corporation tax | | 166,377 | | 182,306 | |
| Rents received in advance | | 242,259 | | 217,297 | |
| Other | | <u>38,638</u> | | <u>26,643</u> | |
| | | <u>730,611</u> | | <u>733,977</u> | |
| Net current liabilities | | (582,151) | | (651,169) | |
| Total assets less current liabilities | | 11,441,367 | | 11,447,997 | |
| Creditors – Due in more than one year | | | | | |
| Bank loan | 6 | <u>(1,566,111)</u> | | <u>(1,831,418)</u> | |
| Net Assets | | <u>9,875,256</u> | | <u>9,616,579</u> | |
| Capital and reserves: | | | | | |
| Share capital | 7 | 3,876,708 | | 3,876,708 | |
| Other reserves | 8 | 568,720 | | 515,834 | |
| Profit and loss account | 8 | <u>5,429,828</u> | | <u>5,224,037</u> | |
| Shareholders' funds – all equity | 9 | <u>9,875,256</u> | | <u>9,616,579</u> | |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 6 to 11 were approved by the Board on 12th March 2015 and signed on its behalf by:

G R LEECE (Chairman)



LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 2014****1. ACCOUNTING POLICIES**

The principal accounting policies of the Company have remained unchanged from the previous year and are set out below:-

Basis of accounting

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

The Company has taken advantage of the exemption from preparing a cash flow statement on the grounds that it qualifies as a small company.

Turnover

Turnover represents gross rents receivable in the period.

Investment Properties

Investment properties have been revalued annually (see note 4) but have been included at cost in the Balance Sheet. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run. The Companies Act 2006 requires tangible fixed assets to be depreciated systematically over their estimated useful economic lives. However, investment properties are held for investment rather than consumption; the Directors therefore consider that depreciation on a systematic basis would not be appropriate in this case and that the accounting policy adopted is necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Deferred taxation

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the Balance Sheet date.

Consolidation

Consolidated accounts have not been prepared as all subsidiaries were dormant for the whole of the year and the only remaining assets of the subsidiaries are loans due by Liverpool and Chester Property Company Limited amounting to £82,474. Details of the subsidiaries are set out in note 5. These accounts present information about the parent as an individual company and not about its group.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2014

(continued)

2. TAXATION

| | 2014 | 2013 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Corporation tax | 166,377 | 182,306 |
| Adjustment to earlier year provisions | - | 7,371 |
| Property surpluses: | | |
| Current year | - | - |
| | <u>166,377</u> | <u>189,677</u> |

The corporation tax charge is based on the profits of the current year and has been provided at 21.15% net of marginal relief (2013 – 22.55%).

3. DIVIDENDS

| | 2014 | 2013 |
|--|----------------|----------------|
| | £ | £ |
| Ordinary dividends: | | |
| 6.5% Final dividend for 2013 paid on 07.04.2014 (2012 – Final 6.5%) | 251,986 | 251,986 |
| 5.25% Interim dividend for 2014 paid on 07.10.2014 (2013 – Interim 5.25%) | 203,527 | 203,527 |
| | <u>455,513</u> | <u>455,513</u> |

4. PROPERTIES

| | Freehold | Long Leasehold |
|----------------------------------|-------------------|------------------|
| | £ | £ |
| Cost at 1st January 2014 | 10,728,757 | 1,370,409 |
| Purchases at cost | - | - |
| Disposals at cost | <u>(75,648)</u> | <u>-</u> |
| Book Value at 31st December 2014 | <u>10,653,109</u> | <u>1,370,409</u> |
| Valuation at 31st December 2014 | <u>19,201,500</u> | <u>1,475,000</u> |
| Valuation at 31st December 2013 | <u>19,263,200</u> | <u>1,460,000</u> |

The freehold and leasehold properties owned by the Company were valued as at 31st December 2014 by Mason Owen Chartered Surveyors, on the basis of market value, in accordance with the RICS Appraisal and Valuation Standards.

It is not considered necessary to alter the values shown on the Balance Sheet, or to create a revaluation reserve. If the properties were to be sold at the valuation figures, there would be a liability to corporation tax based on the excess of the net proceeds of sale over original cost or 31st March 1982 valuation, if appropriate.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2014
(continued)

5. SUBSIDIARY COMPANIES

| | Proportion of Equity Held % | Aggregate Capital and Reserves at 31st December 2014 £ |
|---|-----------------------------------|---|
| The Toxteth Real Property and Investment Co Ltd (Formerly Liverpool and Chester Property Co Ltd) | | |
| 1,637 Ordinary shares of £1 each | | |
| 8,185 Deferred Non Voting shares of £1 each | 100 | 9,822 |
| Model Land and Property Co Ltd | | |
| 72,550 Ordinary shares of £1 each | 100 | 73,070 |
| V & M Properties Ltd | | |
| 1,000 Ordinary shares of £1 each | 100 | 13,000 |
| M & B Investments (Liverpool) Ltd | | |
| 84 Ordinary shares of £1 each | 100 | 84 |
| | <hr/> | <hr/> |

6. BANK LOANS AND OVERDRAFT

The bank loans and overdraft of £1,849,448 (2013 £2,139,149) are secured by first legal charges over certain of the Company's property assets.

Included in the bank loans due for repayment in more than one year is the sum of £673,377 (2013 - £874,707) which is repayable by instalments which fall due for payment after more than five years from the Balance Sheet date.

7. SHARE CAPITAL

| | 2014 | 2013 |
|--------------------------------------|------------------|------------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 3,876,708 Ordinary shares of £1 each | <u>3,876,708</u> | <u>3,876,708</u> |

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2014
(continued)

8. RESERVES

| | Other reserves | Profit and Loss Account |
|------------------------------|-----------------------|-------------------------|
| | £ | £ |
| At 1st January 2014 | 515,834 | 5,224,037 |
| Retained profit for the year | 52,886 | 661,304 |
| Dividends (see note 3) | - | (455,513) |
| At 31st December 2014 | <u>568,720</u> | <u>5,429,828</u> |

Other reserves are surpluses on sales of assets and investments, net of associated corporation tax, which are required by the Articles of Association of the Company to be separately set aside and are not available for distribution.

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

| | 2014 | 2013 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Profit for the financial year | 714,190 | 667,335 |
| Dividends | (455,513) | (455,513) |
| Net additions to shareholders' funds | 258,677 | 211,822 |
| Opening shareholders' funds | <u>9,616,579</u> | <u>9,404,757</u> |
| Closing shareholders' funds | <u>9,875,256</u> | <u>9,616,579</u> |

10. CONTROLLING INTERESTS

The company is not under the control of any one individual.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED

We have audited the financial statements of Liverpool and Chester Property Company Limited for the year ended 31st December 2014 on pages 6 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).

This report is made solely to the company's members, as a body, in accordance with Section 495 and 496 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page 6, 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.

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 Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Qualified opinion arising from disagreement about accounting treatment

The financial statements do not include the revaluation of investment properties as required by Statement of Standard Accounting Practice No. 19. The relevant revaluation figures are, however, disclosed in Note 4, and would result in an increase in the value of tangible fixed assets and reserves of £8,652,982 (2013 - £8,624,034).

Except for the effects of not accounting for the revaluation of the investment properties, in our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2014 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.

LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED**REPORT OF THE INDEPENDENT AUDITORS****TO THE MEMBERS OF****LIVERPOOL AND CHESTER PROPERTY COMPANY LIMITED
(Continued)****Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 Report of the Directors in accordance with the small companies regime.



Michael Sergi, BA (Hons), FCA (Senior Statutory Auditor)
for and on behalf of Priory Practice Limited
Chartered Accountants
Registered Auditor
1 Abbots Quay
Monks Ferry
Birkenhead
Merseyside
CH41 5LH

12th March 2015