

Company Registration No 00029745 (England and Wales)

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

Alliotts
Chartered Accountants
Registered Auditors

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THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

COMPANY INFORMATION

Directors	L G Hicks C W Watts Q G Hicks R F Musselbrook
Secretary	R F Musselbrook
Company number	00029745
Registered office	105 Mitcham Lane Streatham London SW16 6LY
Auditors	Alliotts Friary Court 13-21 High Street Guildford Surrey GU1 3DL
Bankers	Barclays Bank PLC Wimbledon Business Centre Wimbledon London SW19

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

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THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and financial statements for the year ended 31 March 2011

Principal activities

The principal activities of the company are property investment and securities investment

Directors

The following directors have held office since 1 April 2010

L G Hicks
C W Watts
Q G Hicks
R F Musselbrook

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

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



L G Hicks
Director
10 October 2011

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

We have audited the financial statements of The Teachers and General Investment Company Limited for the year ended 31 March 2011 set out on pages 4 to 12. 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 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 page 1, 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. 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 March 2011 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.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED


INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF THE TEACHERS AND GENERAL INVESTMENT COMPANY 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report



Peter Edwards FCA (Senior Statutory Auditor)
for and on behalf of Alliotts

10 October 2011

Chartered Accountants
Statutory Auditor

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Turnover		679,503	930,843
Cost of sales		(161,664)	(268,943)
Gross profit		517,839	661,900
Administrative expenses		(111,016)	(94,716)
Operating profit	2	406,823	567,184
Loss on sale of investment properties		-	(13,919)
Profit on ordinary activities before interest		406,823	553,265
Income from other fixed asset investments		21,436	21,437
Other interest receivable and similar income		3,121	137
Interest payable and similar charges	3	(186,386)	(183,651)
Profit on ordinary activities before taxation		244,994	391,188
Tax on profit on ordinary activities	4	(60,588)	(139,853)
Profit for the year	12	184,406	251,335

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Profit for the financial year		184,406	251,335
Unrealised (deficit)/surplus on revaluation of properties		(64,824)	467,517
Total recognised gains and losses relating to the year		<u>119,582</u>	<u>718,852</u>

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	6 and 7	8,009,372		7,934,878	
Investments	8	254,888		254,888	
		<u>8,264,260</u>		<u>8,189,766</u>	
Current assets					
Stocks	9	945,568		945,568	
Cash at bank and in hand		381,125		429,236	
		<u>1,326,693</u>		<u>1,374,804</u>	
Creditors amounts falling due within one year	10	(2,223,613)		(2,221,812)	
Net current liabilities		<u>(896,920)</u>		<u>(847,008)</u>	
Total assets less current liabilities		<u>7,367,340</u>		<u>7,342,758</u>	
Capital and reserves					
Called up share capital	11	100,000		100,000	
Revaluation reserve	12	4,248,207		4,313,031	
Profit and loss account	12	3,019,133		2,929,727	
Shareholders' funds		<u>7,367,340</u>		<u>7,342,758</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 10.10.2011

L G Hicks
Director

C W Watts
Director

Company Registration No 00029745

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts received in the ordinary course of business from rents, fees and other property related income

1.4 Tangible fixed assets and depreciation

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

Fixtures, fittings & equipment	15 - 20% per annum on net book value
--------------------------------	--------------------------------------

Investment properties are revalued annually and the aggregate surplus or deficit is transferred to the revaluation reserve. The surplus or deficit over valuation arising on disposal of investment properties is included in the profit and loss account. The realised valuation surplus corresponding to properties sold is transferred to the profit and loss account. Depreciation is not provided in respect of investment properties. The directors consider that this accounting policy (which is a departure from the requirements of the Companies Act 2006) is necessary to provide a true and fair view.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.6 Stock

Stock of dealing properties is valued at the lower of cost and net realisable value

1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes except that

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

1	Accounting policies		(continued)
1.8	Group accounts		
	The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertakings comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 398 of the Companies Act 2006 not to prepare group accounts.		
2	Operating profit	2011	2010
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	506	596
	Auditors' remuneration	8,050	8,020
	Directors' remuneration	45,900	31,500
		<u> </u>	<u> </u>
3	Interest payable	2011	2010
		£	£
	Interest payable to parent undertaking	97,793	90,872
	Interest payable to subsidiary undertaking	84,000	84,000
	Interest payable on other loans	4,593	2,856
	Bank loan interest payable	-	5,896
		<u> </u>	<u> </u>
		186,386	174,787
		<u> </u>	<u> </u>
4	Taxation	2011	2010
		£	£
	Domestic current year tax		
	U.K. corporation tax	60,650	139,900
	Adjustment for prior years	(62)	(47)
		<u> </u>	<u> </u>
	Total current tax	60,588	139,853
		<u> </u>	<u> </u>
5	Dividends	2011	2010
		£	£
	Ordinary interim paid for current year at 35p per share (2010 - 35p per share)	35,000	35,000
	Ordinary final paid for previous year at 60p per share (2010 - 55p per share)	60,000	55,000
		<u> </u>	<u> </u>
		95,000	90,000
		<u> </u>	<u> </u>

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

6 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2010 & at 31 March 2011	20,496
Depreciation	
At 1 April 2010	17,118
Charge for the year	506
At 31 March 2011	17,624
Net book value	
At 31 March 2011	2,872
At 31 March 2010	3,378

7 Tangible fixed assets

	Investment properties
	£
Valuation	
At 1 April 2010	7,931,500
Additions	139,824
Revaluation deficit	(64,824)
At 31 March 2011	8,006,500

Investment properties as at 31 March 2011 were valued by the directors at open market value based on their knowledge of similar properties in the area. The historical cost of the investment properties is £3,758,293 (2010 - £3,618,469).

No provision has been made in the financial statements for the liability to corporation tax of £1,090,000 (2010 - £1,153,000) that would arise if all the investment properties were disposed of at revalued amounts as it is not the intention of the directors to make substantial property disposals in the foreseeable future.

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

8 Fixed asset investments

	Unlisted investments £	Shares in group undertakings and participating interests £	Total £
Cost or valuation			
At 1 April 2010 & at 31 March 2011	215,288	39,600	254,888
Net book value			
At 31 March 2011	215,288	39,600	254,888
At 31 March 2010	215,288	39,600	254,888

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	Shares held Class	%
Subsidiary undertakings			
The Teachers Finance Company Limited	England and Wales	£1 Ordinary	100.00
Foster's Imperial Steam Laundry Company Limited	England and Wales	£5 Ordinary	77.77

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 2011 £	Profit/(loss) for the year 2011 £
	Principal activity		
The Teachers Finance Company Limited	Provision of loan finance	1,145,459	47,698
Foster's Imperial Steam Laundry Company Limited	Property investment	352,188	(1,484)

In the opinion of the directors the value of the shares in the subsidiary undertakings is not less than their book value

The directors' valuation of the unlisted investments is £425,000 (2010 - £425,000)

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

9	Stocks	2011 £	2010 £
	Dealing properties	945,568	945,568

The estimated replacement cost of the stock of dealing properties in the company at 31 March 2011 was £4,790,000 (2010 - £4,940,000) on the basis of the open market value of similar properties. Corporation tax is payable on profits made on the sale of dealing properties at rates current when realised.

10	Creditors amounts falling due within one year	2011 £	2010 £
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,036,529	1,951,767
	Taxation and social security	60,650	139,900
	Other creditors	126,434	130,145
		2,223,613	2,221,812

Loans repayable at one month notice are included under the following headings

	2011 £	2010 £
Amounts owed to group undertakings	801,216	773,006
Other creditors	46,950	46,471

11	Share capital	2011 £	2010 £
	Allotted, called up and fully paid		
	100,000 Ordinary shares of £1 each	100,000	100,000

12	Statement of movements on reserves	Revaluation reserve £	Profit and loss account £
	Balance at 1 April 2010	4,313,031	2,929,727
	Profit for the year	-	184,406
	Dividends paid	-	(95,000)
	Revaluation deficit	(64,824)	-
	Balance at 31 March 2011	4,248,207	3,019,133

THE TEACHERS AND GENERAL INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

13 Control

The ultimate holding company and controlling party is West Streatham Building Company Limited registered in England and Wales

14 Related party relationships and transactions

Dividends to Directors

During the year the directors received dividends as follows

	2011	2010
	£	£
L G Hicks	9,600	9,095
C W Watts	1,380	1,308
Q G Hicks	1,371	1,299
R F Musselbrook	-	-
	<u>12,351</u>	<u>11,702</u>

Transactions with group companies

The company undertakes various transactions with its parent undertaking, West Streatham Building Company Limited, and its subsidiary undertaking, Teachers Finance Company Limited. Relevant details of interest payable to and balances with the parent and subsidiary are disclosed elsewhere in these accounts. In addition a £1,000 administration fee was received from The Teachers Finance Company Limited. No transactions were undertaken with other group companies in the year.

Other related party transactions

Mr L G Hicks is a partner of Messrs Hyland, Riches & Raw who act as advising accountants to the company and received fees of £13,628 plus VAT for this service.

Mr C W Watts is the proprietor of Messrs Avery Cole who act as advising estate agents to the company and received fees of £18,844 plus VAT for this service.