

Armitage Brothers Limited

**Directors' report and financial
statements**

Registered number 51903

01 June 2008

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Contents

Directors' report	1
Statement of directors' responsibilities	3
Independent auditor's report to the members of Armitage Brothers Limited	4
Profit and loss account	5
Other primary statements	6
Balance sheet	7
Notes	8

Directors' report

The directors have pleasure in presenting their report, together with the audited financial statements for the year ended 01 June 2008 (52 Weeks). This compares with the year ended 03rd June 2007 (53 Weeks).

Principal activities/Business Review

The principal activity of the company is that of property rental to its wholly owned trading subsidiary. The results reflect a year in which rental income has decreased due to the sale of two sites.

The freehold properties were revalued on 30th June 2008 and the resultant increase in value has been included in these financial statements.

The profit and loss account for the year is set out on page 5 and the directors consider the results to be satisfactory.

The directors do not recommend the payment of a dividend (2007: £Nil).

Directors

The directors who served during the year were:

Executive

Brian H Round
Russell C Taylor

Non-executive

John N Jones
Peter C Hagan

On the 5th January 2009, Paul Bousfield was appointed as an executive director of Armitage Brothers Ltd.

Donations

There were no charitable or political donations during the year (2007: £nil).

Employees

The company supports a policy of involving employees, wherever possible, in the business, in ways aimed at encouraging them to identify themselves with the company and to use their knowledge and skills actively towards influencing the company's success.

The means by which this policy is carried out varies according to the size and complexity of the places of work, but the company continues to provide employees with information. Organised briefings to employee groups, open forum sessions and notice boards are the main channels of communication. This is an attempt to achieve further awareness of the financial and economic considerations affecting the business, including our plans and expectations for the future.

Due consideration is given to applications for employment from disabled persons, having regard to the particular aptitudes and abilities of the applicants concerned, and the company provides for adequate training, career development and promotion of disabled persons.

Directors' report *(continued)*

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of RSM Bentley Jennison as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



B H Round
Director

Registered Office
Armitage House
Colwick
Nottingham
NG4 2BA

Date: 24/02/09.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Independent auditor's report to the members of Armitage Brothers Limited

We have audited the financial statements of Armitage Brothers Limited for the year ended 01 June 2008 set out on pages 5 to 14. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of Directors' Responsibilities on page 3, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and international Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

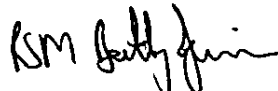
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 01 June 2008 and of its profits for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



RSM Bentley Jennison
Chartered Accountants and
Registered Auditors

Date: 3 March 2009

St Matthew's House
6 Sherwood Rise
Nottingham
NG7 6JF

Profit and loss account
for the year ended 01 June 2008

		Year ended 01 June 2008	Year ended 03 June 2007
	<i>Notes</i>	£000	£000
Turnover	2	410	603
Cost of sales		-	-
Gross profit		410	603
Administrative expenses		(121)	(210)
Operating profit	3	289	393
Profit on ordinary activities before interest		289	393
Profit on ordinary activities before taxation		289	393
Tax on profit on ordinary activities	5	(17)	11
Profit on ordinary activities after taxation		272	404
Dividends		-	-
Retained profit for the year	13	272	404

All results in the current and preceding year have been derived from continuing operations.

Other primary statements

Statement of total recognised gains and losses

	Notes	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
Profit for the year and total recognised gains and losses relating to the year.	13	272	404
Release of deferred taxation on properties		-	339
Unrealised surplus on revaluation of properties		643	-
		<hr/>	<hr/>
Total recognised gains and losses		<u>915</u>	<u>743</u>

Note of historical cost profits and losses

	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
Reported profit on ordinary activities before taxation	289	393
Difference between the historical cost depreciation charge and the actual depreciation charge for the period calculated on the revalued amount	(41)	17
	<hr/>	<hr/>
Historical cost profit on ordinary activities before taxation	<u>248</u>	<u>410</u>
	<hr/>	<hr/>
Historical cost profit for the year retained after taxation and dividends	<u>231</u>	<u>421</u>

Reconciliation of movements in equity shareholders' funds

	Notes	Company 2008 £000	2007 £000
Profit for the financial year		272	404
		<hr/>	<hr/>
		272	404
Other unrealised recognised gains and losses relating to the year		643	339
		<hr/>	<hr/>
Net addition to shareholders' funds		<u>915</u>	<u>743</u>
Opening shareholders' funds		<u>6,349</u>	<u>5,606</u>
		<hr/>	<hr/>
Closing shareholders' funds		<u>7,264</u>	<u>6,349</u>

Balance sheet
as at 01 June 2008

	Notes	2008		2007	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	6		4,100		3,767
Investments	7		1,569		1,569
			<u>5,669</u>		<u>5,336</u>
Current assets					
Debtors	8	1,614		1,876	
Creditors: amounts falling due within one year	9	<u>(18)</u>		<u>(862)</u>	
Net current assets			<u>1,596</u>		<u>1,014</u>
Total assets less current liabilities			<u>7,265</u>		<u>6,350</u>
Provisions for liabilities and charges	10		<u>(1)</u>		<u>(1)</u>
Net assets			<u><u>7,264</u></u>		<u><u>6,349</u></u>
Capital and reserves					
Called up share capital	11		407		407
Share premium revaluation	13		79		79
Revaluation reserve	13		2,304		3,651
Profit and loss account	13		<u>4,474</u>		<u>2,212</u>
Equity shareholders' funds			<u><u>7,264</u></u>		<u><u>6,349</u></u>

These financial statements were approved by the board of directors on 24/02/09 and were signed on its behalf by:


B H Round
Director

Notes

(forming part of the financial statements)

1 Accounting policies

Accounting convention

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

Group financial statements

The company has taken advantage of Section 228 of the Companies Act 1985 and not prepared group financial statements. This is on the basis that it is a wholly owned subsidiary undertaking of a United Kingdom company which produces consolidated financial statements.

Tangible fixed assets

The company's policy is to hold its freehold and leasehold properties at professional valuation which is updated on a regular and periodic basis. Depreciation at the prescribed rates below will be charged on this valuation. This is a change in accounting policy from the adopted policy under the transitional rules of Financial Reporting Standard 15.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:

Land	Nil
Buildings	50 years
Building works	10 years

The additional depreciation on the revalued amounts of freehold property is transferred from the revaluation reserve to the profit and loss account reserves each year.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Cash flow statement

The company is exempt from the requirement of FRS 1 'Cash flow statements' to prepare a cash flow statement as it is a wholly owned subsidiary of a United Kingdom company which produces consolidated financial statements.

Notes (continued)

2 Turnover

All turnover arises from property rental.

	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
<i>Geographical analysis of turnover:</i>		
UK	410	603
	<u>410</u>	<u>603</u>

All profit and net assets originate from the principal activities of the company.

3 Operating profit

	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
<i>Operating profit is stated after charging the following:</i>		
Depreciation – owned assets	0	93
Auditor's remuneration	9	9
	<u>9</u>	<u>93</u>

4 Employee costs

	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
<i>Particulars of employee costs including those of the directors:</i>		
Wages and salaries	39	39
Social security costs	6	6
Other pension costs	-	-
	<u>45</u>	<u>45</u>

The average numbers of employees, including directors, during the period was:

	Number 1	Number 1
Administration	<u>1</u>	<u>1</u>

Directors remuneration analysis:

	2008 £000	2007 £000
Other emoluments	39	36
	<u>39</u>	<u>36</u>
Pension contributions	-	-
	<u>39</u>	<u>36</u>

Brian H Round, Peter L Hagan and John N Jones are paid by the ultimate parent undertaking Focus 100 Limited. Their remuneration is disclosed in the financial statements of that company. The number of directors accruing benefits under company pension schemes (defined benefit) was none (2007: none).

Notes (continued)

5 Tax on profit on ordinary activities

	Year ended 01 June 2008 £000	Year ended 03 June 2007 £000
<i>Corporation tax charge:</i>		
In respect of taxable profits for the year at 20% (2007: 19%)	17	-
In respect of prior periods	-	(11)
	<hr/>	<hr/>
Current taxation	17	(11)
<i>Deferred taxation</i>		
Origination/reversal of timing differences (see Note 10)	-	-
	<hr/>	<hr/>
Charge to the profit and loss	17	(11)
	<hr/>	<hr/>

Factors affecting the tax charge for the current year

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The differences are explained below:

	2008 £000	2007 £000
<i>Current tax reconciliation:</i>		
Profit on ordinary activities before tax	289	393
	<hr/>	<hr/>
Current tax at 20% (2007 : 19%)	58	75
<i>Effects of:</i>		
Depreciation in excess of capital allowances	-	13
Disallowed expenses and non taxable income	(3)	-
Adjustments to tax charge in respect of previous years	-	(11)
Group relief	(42)	(88)
Capital Gain	4	-
	<hr/>	<hr/>
	17	(11)
	<hr/>	<hr/>

Notes *(continued)*

6 Tangible fixed assets

Company

	Freehold land and buildings £000	Stockport property for resale £000	Total £000
Cost or valuation:			
Opening balance	3,566	322	3,888
Additions	-	-	-
Revaluation	534	-	534
Disposals	-	(322)	(322)
	<u>4,100</u>	<u>-</u>	<u>4,100</u>
Closing balance	<u>4,100</u>	<u>-</u>	<u>4,100</u>
Accumulated depreciation:			
Opening balance	109	12	121
Charge for the year	-	-	-
Revaluation	(109)	-	(109)
Disposals	-	(12)	(12)
	<u>-</u>	<u>-</u>	<u>-</u>
Closing balance	<u>-</u>	<u>-</u>	<u>-</u>
Net book value:			
At 03 June 2007	<u>3,457</u>	<u>310</u>	<u>3,767</u>
At 01 June 2008	<u>4,100</u>	<u>-</u>	<u>4,100</u>

The company reflected a revaluation in its freehold and leasehold properties in the financial statements for the 52 weeks ended 01 June 2008. The valuation was carried out on 30th June 2008 by FPD Savills, Chartered Surveyors on the basis of the open market value for existing use with vacant possession.

Notes *(continued)*

Cost or valuation of freehold land and buildings comprises:

	£000
Assets re-valued in 2008	4,100
Others stated at cost	-
	<hr/>
	4,100
	<hr/>

If freehold land and buildings had not been revalued they would have been included at the following amounts:

	2008	2007
	£000	£000
Cost	2,325	2,325
Accumulated depreciation	(529)	(489)
	<hr/>	<hr/>
	1,796	1,836
	<hr/>	<hr/>

The value of land not depreciated, included in the above figures, is £1,400,000 (2007: £862,000).

7 Investments

Shares in subsidiary undertakings:

	£000
Cost at 01 June 2008 and 03 June 2007	1,569
Provision for impairment losses at 01 June 2008 and 03 June 2007	-
	<hr/>
Net Book Value at 01 June 2008 and 03 June 2007	1,569
	<hr/>

Armitage Brothers Limited owns directly 100% of the issued ordinary share capital of a number of subsidiary companies all of which are incorporated in Great Britain. The only trading subsidiary company is Armitages Pet Products Limited, a company registered in England, who manufacture and distribute pet food and accessories. Full details of all subsidiary companies will be included within the next company annual return.

Notes (continued)

8 Debtors

	2008 £000	2007 £000
Corporation tax	4	4
Other debtors	1,610	1,872
	<u>1,614</u>	<u>1,876</u>

9 Creditors: amounts falling due within one year

	2008 £000	2007 £000
Amount due to group undertakings	1	862
Corporation tax	17	-
	<u>18</u>	<u>862</u>

10 Provisions for liabilities and charges

	2008 £000	2007 £000
<i>Deferred taxation is analysed as follows:</i>		
Provided at 03 June 2007	1	340
Charge to profit and loss account	-	-
Charge to statement of total recognised gains and losses for the year	-	(339)
At 01 June 2008	<u>1</u>	<u>1</u>
Provided		
Accelerated capital allowances	1	1
Other timing differences	-	-
	<u>1</u>	<u>1</u>

11 Called up share capital

	2008 £000	2007 £000
Authorised:		
5,000,000 ordinary shares of 10p each	500	500
<i>Allotted, called up and fully paid at start of year:</i>		
(4,066,000 ordinary shares of 10p each)	407	407
Issued in the year	-	-
At end of year (4,066,000 ordinary shares of 10p each)	<u>407</u>	<u>407</u>

Notes (continued)

12 Pensions

The company operated a defined contribution pension scheme during the year. The scheme is funded by the company and employee contributions. The pension cost for the year in respect of the scheme was £nil (2007:£nil).

13 Reserves

	Share premium £000	Revaluation reserve £000	Profit and Loss account £000
At 03 June 2007	79	3,651	2,212
Retained profit for the year	-	-	272
Realisation of revaluation reserve	-	(1,990)	1,990
Surplus on revaluation on Properties	-	643	-
	<hr/>	<hr/>	<hr/>
At 01 June 2008	79	2,304	4,474
	<hr/>	<hr/>	<hr/>

14 Commitments

The company had no capital commitments at the year end.

15 Related party transactions

The company has taken advantage of the exemption available under FRS 8 'Related Party Transactions' and not disclosed transactions with Focus 100 Limited and its other subsidiary undertakings, on the grounds that consolidated financial statements are produced by the company's immediate parent company, Focus 100 Limited.

16 Parent undertaking and controlling party

The company's immediate parent undertaking which is also the ultimate parent undertaking at the balance sheet date was Focus 100 Limited. There is no controlling party of this company. The financial statements of Focus 100 Limited can be obtained from its registered office, Armitage House, Colwick, Nottingham NG4 2BA.

