

Annual report

for the year ended 31 March 2014

Taylor Clark Limited
Co. No 00340727
Companies House copy

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Directors and advisers

Directors	<p>*Richard Bennison <i>FCA Chairman</i></p> <p>*Andrew Clark</p> <p>John Dippie <i>FCA Finance</i></p> <p>Reg Harvey <i>Chief Executive</i></p> <p>*Briony Wilson</p> <p>*Non-executive</p>
Secretary	John Dippie <i>FCA</i>
Consultant	Robin Clark <i>OBE FCA Hon FRCSLT</i>
Registered and Head Office	<p>Fourth Floor South, 35 Portman Square, London W1H 6LR Telephone: 020 7486 0100 Fax: 020 7224 0384 Email: mail@taylorclark.co.uk</p>
California Office	<p>c/o Crawford International Inc 833 Dover Drive, Suite 14 Newport Beach, CA 92663 Telephone: 001 949 722 0125 Fax: 001 949 722 0151</p>
Auditor	KPMG LLP
Principal Bankers	Clydesdale Bank PLC
Registered number	00340727
Date of Incorporation	27 May 1938

Strategic report

The directors present their Strategic report for the year ended 31 March 2014. The Strategic report is additional reporting required by recent regulations under the Companies Act 2006. The content is similar to the Business Review which was previously included as part of the Directors' Report.

Group activities

The main activities of the Group comprise investment in financial markets, hotels, property and farming, mostly in the UK and the USA.

Strategy

Group strategy is to invest to deliver long-term capital growth and to pay regular dividends to shareholders.

The Group aims to participate in the gains resulting from rising markets balanced by a defensive element to the portfolio that should provide some protection if markets fall. This approach should result in the Group's long-term returns being less volatile than the market as a whole. If we manage to strike the right balance between participation in the upside and limiting exposure to the downside the Group's investment returns should outperform the market.

Principal risks

The principal risks the Group faces arise from the portfolio of financial investments. These financial risks include price risk, currency risk, credit risk and liquidity risk. These risks are monitored and controlled by regular review of the investment portfolio, the Group asset allocation and financing.

In order to manage the Group's financial investment risk the Board sets limits on the funds allocated to particular activities. The allocation is reviewed at five meetings a year that are attended by an independent economist.

In addition to the financial investment risks the Group is exposed to the operational risks inherent in running its US hotels. These operational risks are addressed by experienced local managers who mitigate these risks through internal controls, operational and business processes and systems.

Group results

Group net assets increased to £157.2m at 31 March 2014 from £156.5m at 31 March 2013. Adding back £1.6m of dividends paid to shareholders during the year the increase was £2.3m which is 1.5% of the opening net assets. The growth in net assets (before distributions to shareholders) is the main key performance indicator used by the Board.

In summary, the main elements of the results for the year were a modest increase in the market value of the financial investments, continued improvement in property investments in the UK and Europe and further recovery in the US hotel business. These improvements were offset by a 10% fall in the value of the US dollar against sterling which resulted in a reduction in the sterling value of the Group's US dollar assets.

More detailed comments by investment category are set out below.

Strategic report

continued

Comments by investment category

Quoted financial investments

The Company has a spread of financial investments comprising investment trusts, absolute return funds and hedge funds. Investment performance, both in absolute terms and relative to the market, is regularly reviewed and, as necessary, adjustments are made to the portfolio.

At 31 March 2014 the market value of these investments was £82.9m (2013: £84.7m) and represented 53% (2013: 54%) of Group net assets. The decrease of £1.8m during the year comprises a net gain in value of £4.0m offset by net sales of £5.8m.

The investments in listed private equity were reduced during the year realising a profit of £1.7m compared to historical cost. It is not intended to re-invest in listed private equity for a number of reasons including that historically these shares have performed worse in a market downturn than many other types of investment. The majority of funds realised were retained to cover commitments to the unquoted property funds described below.

Market conditions during the year favoured those managers who invest almost entirely in listed company shares. These managers all outperformed the 5% increase in the FTSE All-Share Index for the year. Our two largest Absolute Return managers, whose portfolios aim to provide protection in a market downturn, both had a difficult year. One broke even for the year and the other fell 6% which adversely affected the overall performance of the Company's financial investments.

The Board will continue to monitor the performance of the individual investment managers. The reasons for withdrawing funds from a manager would include loss of confidence in their investment strategy or in their ability to execute that strategy. Short term underperformance would not be a reason in itself.

US portfolio

The net book value of the US portfolio at 31 March 2014 was £34.2m (2013: £37.8m) and represented 22% (2013: 24%) of Group net assets.

Over the year the US dollar fell by 10% against sterling. The resulting translation losses for the year total £3.4m of which £1.3m is included in the profit and loss account and £2.1m is taken directly to reserves. Currency exposure is reviewed regularly. Sterling has been strong recently but the Board believes that in the medium term it is likely to weaken significantly against the US dollar. Accordingly the US dollar exposure is being maintained.

Throughout the year the Group owned the Marriott Courtyard and Marriott Residence Inn hotels in Stockton, California and the Heathman Hotels in Portland, Oregon and Kirkland, Washington.

The recovery in the US hotel market since 2009 continued during the year. According to hotel industry research 2013 saw earnings of all types of hotel improve. The market outlook for 2014 and 2015 is for continued growth in demand resulting in increased occupancy and above inflation increases in room rates and profits. The pre-recession peak in hotel revenue per available room was the last quarter of 2007. If market forecasts prove correct the last quarter of 2014 will see that peak, as adjusted for subsequent inflation, reached again.

Net operating income for 2013/14 from our four hotels increased by \$1.1m compared to the previous year. Further improvement is budgeted for 2014/15 but is not expected to be as substantial as in 2013/14.

The local economy in Stockton, California continues to recover more slowly from the recession than other areas of the US. The Marriott Courtyard's net operating income increased 6% in the year, mainly due to improved room rates. At Marriott Residence Inn the number of available rooms was temporarily reduced due to a major renovation of guest rooms that took place in the last four months of 2012/13. Occupancy continued to be adversely affected in the early part of 2013/14 but has since improved. The net operating income at Marriott Residence Inn increased 18% compared to last year. Both hotels have for many years outperformed the local competition and continue to do so.

Increased leisure travel to Portland, Oregon continues to contribute to improved hotel occupancy and less resistance to higher room rates. The Heathman had a good year with net operating income 28% up compared to last year. The Portland downtown upper-priced hotel market is very competitive but the Heathman more than holds its own.

The Heathman Hotel in Kirkland, Washington opened in 2007 and the development of the business and its profitability was particularly adversely affected by the subsequent recession. The hotel continues to build business and achieve significant improvements in results. The net operating loss was almost eliminated in 2013/14 and there should be a profit in 2014/15.

Direct property investment and joint ventures

As explained in last year's Annual Report the Group has acquired a development site in the Broomielaw ('International Financial Services District') of Glasgow. The site is suitable for a large office development with ancillary retail and leisure elements. The site value is a relatively small part of the overall cost of development and it has been decided to test the market to find out whether agreements for lease can be put in place with occupier(s) for a substantial proportion of the completed scheme. Discussions are underway with a potential joint venture partner who could manage the development of the site. The architects have recently been instructed to design a new scheme and obtain a new planning consent. This process is likely to take at least the next twelve months. The Directors believe the risk/reward profile of this potential development is attractive.

There are two investments in property joint ventures. The first is a 50% interest in Bowmore Estates Limited (Bowmore) which develops residential property in the South West of England. The housing market in the South West has improved over the last 18 months which has allowed Bowmore to sell some of its sites and houses. Currently Bowmore has one site and one completed house left to sell. There is no intention that Bowmore will acquire any new projects. The second, smaller, investment is in commercial property in Scotland through a 50% interest in Heathman Estates Limited (Estates). The commercial property market continues to improve which should allow the Company to realise its investment in Estates in the next eighteen months or so.

Strategic report

continued

Investment in unquoted property funds

The Company has several investments in unquoted property funds and significant new commitments were made during the year. These funds give access to the expertise of a range of managers and a chance to participate in investments that would be too big for the Company to undertake on its own. In contrast to the directly owned investments and joint ventures the Company does not have any role in the management of these funds.

The investments made by these funds are mainly in the UK, Spain, France and Italy. The underlying properties cover a range of retail, office and residential uses. Property values in some sectors have risen substantially from the lows of the recession. However, present market conditions still offer good value opportunities for these funds to acquire complex projects that require their specialist expertise and which are consequently less attractive to many investors who don't wish or have the expertise to deal with complexity. New commitments made during the year totalled £16.1m spread over four funds. At 31 March 2014 total commitments were £36.1m of which £12.5m had been drawn.

Farming and forestry

The principal investment is 1,000 acres of farmland in Wiltshire. The Wiltshire farms produce income from beef cattle, arable crops and let property. Whilst the trading results do not significantly affect those of the Group the capital value has grown substantially since acquisition.

The investment in 1,725 acres of Scottish forestry at Garbole, Inverness-shire was sold during the year, generating a profit of £1.5m. The compound annual rate of return over 19 years of ownership was 7%.

Cash and borrowings

At 31 March 2014 the Company held free funds of £16m (2013: £13m). The majority of these funds are placed with Clydesdale Bank. The only borrowing was a £1.7m bank overdraft.

Future developments

As outlined above the Group has a conservative asset allocation and negligible levels of borrowing. In recent years considerable progress has been made in simplifying the Group's activities and this process is expected to continue.

On behalf of the Board,

J A Dippie

Director and Secretary



30 July 2014

Directors' report

Directors

The Board is pleased to report that on 14 May 2014 Richard Bennison was appointed as a Director and Chairman. Richard retired from KPMG in 2013 where he had been Chief Operating Officer of KPMG Europe LLP and he brings a wealth of experience to his role with the Company.

The directors in office throughout the year and at the date of this report are set out on page 2.

Directors' indemnity provisions

The Group maintains a Directors and Officers insurance policy which covers the Directors and officers of the Company against defending a claim made against them in their capacity as a Director or officer of the Company.

Dividends

On 23 January 2014 interim dividends of 6.690 pence (*2013: 6.600 pence*) per Ordinary A Share and 7.359 pence (*2013: 7.260 pence*) per Ordinary B Share were paid. The directors recommend payment of final dividends of 8.920 pence (*2013: 8.640 pence*) per Ordinary A Share and 9.812 pence (*2013: 9.504 pence*) per Ordinary B Share.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

In accordance with Section 487 of the Companies Act 2006, a resolution for the reappointment of KPMG as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Directors' report: statutory and other disclosures

This Directors' report should be read in conjunction with the Strategic report which is deemed to form part of this Directors' report to the extent required by applicable law or regulation.

On behalf of the Board,

J A Dippie

Director and Secretary



30 July 2014

Independent auditor's report to the members of Taylor Clark Limited

We have audited the financial statements of Taylor Clark Limited for the year ended 31 March 2014 set out on pages 11 to 33. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 10, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the parent Company's affairs as at 31 March 2014 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

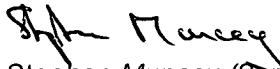
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.



Stephen Muncey (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
6 Lower Brook Street
Ipswich
IP4 1AP

31 July 2014

Statement of directors' responsibilities in respect of the annual report

The directors are responsible for preparing the Strategic report, 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 they have elected to prepare the Group and parent Company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 Group and the parent Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Consolidated profit and loss account

for the year ended 31 March 2014

	Note	2014 £'000	2013 £'000
Turnover of the group including its share of joint ventures		16,290	18,632
Less: Share of turnover of joint ventures		(1,093)	(345)
Group turnover	2	15,197	18,287
Cost of sales		(14,540)	(18,239)
Gross profit		657	48
Administrative expenses		(2,344)	(3,414)
Other operating income		1,622	936
Group operating loss	3	(65)	(2,430)
Share of operating loss of joint ventures		(89)	(231)
Total operating loss		(154)	(2,661)
Loss on disposal of property		–	(115)
Gain on fixed asset investment disposals		1,269	396
Provisions released against investments in joint ventures		35	15
Provisions (made)/released against fixed asset investments		(19)	748
Profit/(loss) before interest		1,131	(1,617)
Interest receivable and similar income	4	249	803
Interest payable and similar charges	5	(1,338)	(369)
Share of net interest payable by joint ventures		1	124
Profit/(loss) on ordinary activities before taxation	2, 3	43	(1,059)
Taxation credit/(charge) on loss on ordinary activities	8	282	(2,674)
Profit/(loss) for the financial year	9	325	(3,733)

A statement of movement in reserves is given in note 21.

All items dealt with in arriving at the operating loss for 2014 and 2013 relate to continuing operations.

The notes referred to above form part of these accounts.

Group statement of total recognised gains and losses

for the year ended 31 March 2014

	2014 £'000	2013 £'000
Profit/(loss) for the financial year		
Group	318	(3,661)
Share of joint ventures	7	(72)
	325	(3,733)
Unrealised surplus on revaluation of investments	4,075	8,431
Currency translation difference on foreign currency net assets	(2,151)	1,418
Other recognised gains and losses	1,924	9,849
Total recognised gains and losses relating to the financial year	2,249	6,116

Note of historical cost profits and losses

for the year ended 31 March 2014

	2014 £'000	2013 £'000
Reported profit/(loss) on ordinary activities before taxation	43	(1,059)
Realisation of revaluation gains of previous years	2,244	9,925
Historical cost profit on ordinary activities before taxation	2,287	8,866
Historical cost profit for the year retained after taxation and dividends	1,004	4,655

Group reconciliation of movements in shareholders' funds

for the year ended 31 March 2014

	2014 £'000	2013 £'000
Profit/(loss) for the financial year	325	(3,733)
Dividends paid (note 10)	(1,565)	(1,537)
Transfer to reserves	(1,240)	(5,270)
Other recognised gains and losses	1,924	9,849
Net movement in shareholders' funds	684	4,579
Opening balance of shareholders' funds	156,541	151,962
Closing balance of shareholders' funds	157,225	156,541

Group balance sheet

at 31 March 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Intangible asset	11	210	253
Tangible assets	12	36,687	41,236
Investments in joint ventures:			
Share of gross assets		3,861	4,733
Share of gross liabilities		(917)	(1,003)
	13	2,944	3,730
Other investments	14	92,531	92,604
		132,372	137,823
Current assets			
Property and developments		5,112	4,729
Stocks	16	256	241
Debtors due after more than one year	17	–	1,750
Debtors due within one year	17	2,771	1,386
Investments		939	704
Cash at bank and in hand		21,049	16,295
		30,127	25,105
Creditors: amounts falling due within one year	18	(4,304)	(5,085)
Net current assets		25,823	20,020
Total assets less current liabilities		158,195	157,843
Provisions for liabilities and charges	19	(970)	(1,302)
Net assets		157,225	156,541
Capital and reserves			
Called up share capital	20	935	935
Capital redemption reserve	21	1,368	1,368
Revaluation reserve	21	19,386	17,555
Profit and loss account	21	135,536	136,683
Shareholders' funds		157,225	156,541

Approved by the Board on 30 July 2014 and signed on its behalf by

J A Dippie

Directors

R J Harvey




The notes referred to above form part of these accounts.

Consolidated cash flow statement

for the year ended 31 March 2014

	2014 £'000	2013 £'000
Net cash inflow from operating activities	1,237	4,028
Returns on investments and servicing of finance	125	(336)
Taxation	294	(1,340)
Capital expenditure and financial investment	4,320	8,994
Acquisitions and disposals	793	(170)
Dividends paid (note 10)	(1,565)	(1,537)
Cash inflow before use of liquid resources and financing	5,204	9,639
Management of liquid resources	314	1,937
Financing:		
Decrease in debt	–	(13,127)
Increase/(decrease) in cash	5,518	(1,551)

Reconciliation of net cash flow to movement in net funds

	2014 £'000	2013 £'000
Increase/(decrease) in cash in the year	5,518	(1,551)
Cash outflow from movement in liquid resources	(314)	(1,937)
Decrease in debt	–	13,127
Movement resulting from cash flows	5,204	9,639
Translation difference	(258)	(453)
Movement in the year	4,946	9,186
Net funds at 1 April 2013	15,362	6,176
Net funds at 31 March 2014	20,308	15,362

Further information concerning the consolidated cash flow statement is given in note 22.

Company balance sheet

at 31 March 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	12	136	184
Investment in joint venture	13	673	597
Other investments	14	118,745	118,702
		119,554	119,483
Current assets			
Debtors due after one year	17	24,100	25,031
Debtors due within one year	17	1,981	401
Investments		939	704
Cash at bank and in hand		16,982	12,773
		44,002	38,909
Creditors: amounts falling due within one year	18	(30,971)	(27,898)
Net current assets		13,031	11,011
Total assets less current liabilities		132,585	130,494
Net assets		132,585	130,494
Capital and reserves			
Called up share capital	20	935	935
Capital redemption reserve	21	1,368	1,368
Revaluation reserve	21	19,386	17,555
Profit and loss account	21	110,896	110,636
Shareholders' funds		132,585	130,494

Approved by the Board on 30 July 2014 and signed on its behalf by

J A Dippie
R J Harvey *Directors*

The notes referred to above form part of these accounts.

Company number: 00340727

Notes on the accounts

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable UK accounting standards and under the historical cost accounting rules except for properties and listed investments which are revalued under the alternative accounting rules.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Going concern

The Group's business activities are set out in the Strategic report. On the basis of their assessment of the Group's financial position and resources, the directors believe that the Group is well placed to manage its business risks. Therefore, the Group's directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2014. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

An associate is an undertaking in which the group has a long term interest, usually from 20% to 50% of the equity voting rights, and over which it exercises significant influence. A joint venture is an undertaking in which the group has a long-term interest and over which it exercises joint control. The Group's share of the profits less losses of associates and of joint ventures is included in the consolidated profit and loss account and its interest in their net assets is included in investments in the consolidated balance sheet.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

Goodwill and negative goodwill

Purchased goodwill (both positive and negative) arising on consolidation in respect of acquisitions before 1 April 1998, when FRS 10 *Goodwill and intangible assets* was adopted, was written off to reserves in the year of acquisition. When a subsequent disposal occurs any related goodwill previously written off to reserves is written back through the profit and loss account as part of the profit or loss on disposal.

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) arising on consolidation in respect of acquisitions since 1 April 1998 is capitalised. Positive goodwill is amortised to nil by equal annual instalments over its estimated useful life.

Negative goodwill arising on consolidation in respect of acquisitions since 1 April 1998 is included within fixed assets and released to the profit and loss account in the periods in which the fair values of the non-monetary assets purchased on the same acquisition are recovered, whether through depreciation or sale.

On the subsequent disposal or termination of a business acquired since 1 April 1998, the profit or loss on disposal or termination is calculated after charging/(crediting) the unamortised amount of any related goodwill/(negative goodwill).

1 Accounting policies (*continued*)

Investments in subsidiary undertakings

In the Company's financial statements, investments in subsidiary undertakings, associates and joint ventures are stated at cost less amounts written off.

Depreciation of fixed assets

Fixed assets are depreciated on a straight line basis over their estimated useful lives adopting the following rates per annum:

Investment properties and freehold land	-	nil
Freehold buildings	-	0%-4%
Other tangible assets:		
Short life equipment	-	50%
Farming equipment	-	At between 10% and 20%
Other plant and equipment	-	At between 10% and 33%
Assets in course of construction	-	nil

Trading property

Trading properties are stated at cost less depreciation.

Fixed asset investments

Listed investments held as fixed assets are revalued annually to the market price at the balance sheet date. For each investment revaluations above original cost are taken to the revaluation reserve through the statement of total recognised gains and losses. Where the market value of an individual investment is below original cost the deficit is charged to the profit and loss account. Any subsequent increases in value are credited back to the profit and loss account up to original cost.

Other investments held as fixed assets are shown at cost less provision, where in the opinion of the directors there has been an impairment in value.

Forestry

The investment in forestry reflects the costs of establishing commercial woodlands, net of grants received. The running costs are taken to the profit and loss account.

Current asset investments

Current asset investments comprise listed investments which are held on a short term basis and are valued at the year end market value.

Derivative financial instruments

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. From time to time the Group uses foreign exchange forward contracts and interest rate swap and cap contracts to hedge these exposures.

Derivative financial instruments are included at cost.

Property and developments held as current assets

Properties held for development are included in current assets at the lower of cost and net realisable value. Cost comprises the original cost of the property, together with subsequent third party development costs until the property is complete and available for use.

Notes on the accounts

continued

1 Accounting policies (*continued*)

Stocks

Stocks have been valued at the lower of cost and net realisable value.

Turnover

Turnover represents income from sales of property held for development, rents, farm produce and leisure operations, excluding Value Added Tax.

Taxation

The charge for taxation is based on the result for the year. 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.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The accounts of overseas subsidiary undertakings are translated at the exchange rate ruling at the balance sheet date. The exchange differences arising on the translation of opening net assets are taken directly to reserves.

Pensions

From 1 January 2011 a defined contribution scheme was introduced for certain UK based employees. The Company contributions to this scheme are included in the pension charge for the year.

Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise term deposits of less than one year (other than cash), government securities and investments in money market managed funds.

2 Turnover and business segment analysis

By activity

2014	Property £'000	Hotels and leisure £'000	Financial investments £'000	Other £'000	Total £'000
Group turnover	135	14,747	–	315	15,197
Operating profit/(loss)					
Group	153	692	1,515	(2,425)	(65)
Share of joint ventures	(89)	–	–	–	(89)
	64	692	1,515	(2,425)	(154)
Gain on fixed asset investment disposals	–	–	(280)	1,549	1,269
Provisions released against tangible fixed assets in joint ventures	35	–	–	–	35
Provisions made against fixed asset investments	–	–	(19)	–	(19)
Interest receivable	–	–	–	249	249
Interest payable	–	–	–	(1,338)	(1,338)
Share of joint ventures net interest	1	–	–	–	1
Profit/(loss) before taxation	100	692	1,216	(1,965)	43
Assets employed					
Group	7,195	34,274	93,449	19,363	154,281
Share of joint ventures	2,944	–	–	–	2,944
	10,139	34,274	93,449	19,363	157,225
2013					
Group turnover	4,102	13,792	–	393	18,287
Operating (loss)/profit					
Group	(128)	(196)	886	(2,992)	(2,430)
Share of joint ventures	(231)	–	–	–	(231)
	(359)	(196)	886	(2,992)	(2,661)
Loss on property disposals	(13)	(102)	–	–	(115)
Gain on fixed asset investment disposals	–	–	396	–	396
Provisions released against tangible fixed assets in joint ventures	15	–	–	–	15
Provisions released against fixed asset investments	–	–	748	–	748
Interest receivable	(141)	2	–	942	803
Interest payable	–	(267)	–	(102)	(369)
Share of joint ventures net interest	124	–	–	–	124
Profit/(loss) before taxation	(374)	(563)	2,030	(2,152)	(1,059)
Assets employed					
Group	6,512	38,492	92,303	15,504	152,811
Share of joint ventures	3,730	–	–	–	3,730
	10,242	38,492	92,303	15,504	156,541

The 'Other' column includes group overhead costs in Operating (loss)/profit

Notes on the accounts

continued

2 Turnover and business segment analysis (continued)

*By geographical market
(by destination and origin)*

	2014			2013		
	UK	USA	Total	UK	USA	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Group turnover	450	14,747	15,197	4,452	13,835	18,287
Operating (loss)/profit						
Group	(111)	46	(65)	(1,529)	(901)	(2,430)
Share of joint ventures	(89)	–	(89)	(231)	–	(231)
	(200)	46	(154)	(1,760)	(901)	(2,661)
Loss on property disposals	–	–	–	–	(115)	(115)
Gain on fixed assets investment disposals	1,269	–	1,269	396	–	396
Provisions released against tangible fixed assets in joint ventures	35	–	35	15	–	15
Provisions (made)/released against fixed assets investments	(19)	–	(19)	748	–	748
Interest receivable	242	7	249	132	671	803
Interest payable	(84)	(1,254)	(1,338)	(61)	(308)	(369)
Share of joint ventures/associates net interest	1	–	1	124	–	124
Profit/(loss) before taxation	1,244	(1,201)	43	(406)	(653)	(1,059)
Assets employed						
Group	120,127	34,154	154,281	114,976	37,835	152,811
Share of joint ventures	2,944	–	2,944	3,730	–	3,730
	123,071	34,154	157,225	118,706	37,835	156,541

3 Profit/(loss) on ordinary activities before taxation

The profit/(loss) before taxation is arrived at after crediting and charging the following:

	2014	2013
	£'000	£'000
<i>Crediting:</i>		
Income from listed investments	1,497	1,634
<i>Charging:</i>		
Depreciation	2,359	2,621
Amortisation of goodwill	21	23
Auditor's remuneration:		
Audit of these financial statements	47	54
Audit of subsidiaries	91	108
Tax and other services	183	298

4 Interest receivable and similar income

	2014	2013
	£'000	£'000
Bank and other interest receivable	171	33
Currency translation differences	78	770
	249	803

5 Interest payable and similar charges

	2014	2013
	£'000	£'000
Bank loans and overdrafts	46	369
Currency translation differences	1,292	–
	1,338	369

6 Staff costs and directors' emoluments

The average number of persons employed by the group during the year was as follows:

	2014	2013
	Number	Number
Property, management and administration	8	12
Hotels	205	200
Other	3	3
	216	215

The aggregate payroll costs of these persons were as follows:

	2014	2013
	£'000	£'000
Wages and salaries	4,127	4,689
Social security costs	547	557
Other pension costs	100	110
	4,774	5,356

Directors' remuneration:

	2014	2013
	£'000	£'000
Directors' emoluments	415	561

The aggregate of emoluments of the highest paid director (excluding pension contributions) were £150,780 (2013: £151,000).

Notes on the accounts

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7 Pensions

Defined contribution pension scheme

Since 1 January 2011 the Group has operated a defined contribution pension scheme for certain UK based employees. The pension charge for the period includes contributions payable by the Group to the scheme of £80,000 (2013: £86,000). The contribution of the Group for the scheme was 27.5% (2013: 27.5%) of total pensionable salary. The employees contributed an additional 6% (2013: 6%).

There were no contributions payable to the scheme at the year end (2013: £nil).

8 Taxation

	2014 £'000	2013 £'000
Analysis of (credit)/charge in the year		
<i>UK corporation tax</i>		
Adjustments in respect of prior years	–	61
	–	61
<i>Foreign tax</i>		
Current tax on income for the year	(29)	986
Adjustments in respect of prior years	22	–
Total current tax	(7)	1,047
Deferred tax (note 19)	(215)	1,647
Share of joint ventures tax	(60)	(20)
Tax (credit)/charge on profit/(loss) on ordinary activities	(282)	2,674

Factors affecting the tax (credit)/charge for the current year

The current tax (credit)/charge for the year is lower (2013: *higher*) than the standard rate of corporation tax in the UK of 23% (2013: 24%). The differences are explained below.

	2014 £'000	2013 £'000
Current tax reconciliation		
Profit/(loss) on ordinary activities before taxation	43	(1,059)
Current tax at 23% (2013: 24%)	10	(254)
Effects of:		
Gains from fixed asset disposals	–	1,875
Provision movements not chargeable	5	(180)
Profit on disposal of woodlands	(356)	–
Chargeable gains	316	155
Depreciation in excess of capital allowances	66	–
Capital allowances in excess of depreciation	–	(37)
Income not taxable	(282)	(212)
Tax losses brought forward utilised	(1,066)	(1,477)
Unrelieved tax losses carried forward	1,545	1,034
Pension payments deductible in year	(281)	(295)
Higher overseas tax rate	(13)	294
Sundry other items	27	83
Adjustments in respect of prior years	22	61
Total current tax (credit)/charge	(7)	1,047

8 Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the Group's future current tax charge accordingly.

No provision has been made for deferred tax on gains recognised on revaluing fixed asset investments to their market value. The total amount not provided is £1,948,000 (2013: £2,236,000).

In accordance with the Financial Reporting Standard 19 "Deferred Tax", deferred tax assets are only recognised to the extent that they are regarded as recoverable. Accordingly a deferred tax asset of £1,588,000 (2013: £1,554,000) in respect of management expenses has not been recorded on the grounds that there is currently insufficient evidence that the asset will be recoverable against suitable taxable profits in the short term.

9 Profit/(loss) for the financial year

	2014 £'000	2013 £'000
Dealt with in the accounts of the holding company	(419)	206
Retained by subsidiary undertakings	744	(3,939)
	<u>325</u>	<u>(3,733)</u>

10 Dividends

	2014 £'000	2013 £'000
Amounts recognised as distributions to equity shareholders in the year		
Final dividends for the year ended 31 March 2013:		
Ordinary A shares 8.640p, (31 March 2012: 8.460p) per share	65	63
Ordinary B shares 9.504p, (31 March 2012: 9.306p) per share	817	801
Interim dividends for the year ended 31 March 2014:		
Ordinary A shares 6.690p, (31 March 2013: 6.600p) per share	50	49
Ordinary B shares 7.359p, (31 March 2013: 7.260p) per share	633	624
Total dividends paid in the year	<u>1,565</u>	<u>1,537</u>
	2014 £'000	2013 £'000
Proposed final dividends for the year ended 31 March 2014:		
Ordinary A shares 8.920p, (31 March 2013: 8.640p) per share	67	65
Ordinary B shares 9.812p, (31 March 2013: 9.504p) per share	843	817
	<u>910</u>	<u>882</u>

Notes on the accounts

continued

11 Intangible asset

Purchased goodwill

	£'000
Group:	
1 April 2013	253
Amortisation	(21)
Translation difference	(22)
31 March 2014	210

The fair values of assets acquired as part of a business are determined by the purchase price. Goodwill of \$699,000 arose from the acquisition of Heathman Hotel Portland LLC in December 2004 and is being amortised over a period of 20 years.

12 Fixed assets: Tangible assets

	<i>Freehold property trading £'000</i>	<i>Other tangible assets £'000</i>	<i>Total £'000</i>
Group:			
Cost or valuation:			
1 April 2013	43,536	15,130	58,666
Additions	101	1,018	1,119
Disposals	(25)	(865)	(890)
Translation difference	(3,478)	(1,243)	(4,721)
31 March 2014	40,134	14,040	54,174
	<i>Freehold property trading £'000</i>	<i>Other tangible assets £'000</i>	<i>Total £'000</i>
Group:			
Depreciation:			
1 April 2013	7,280	10,150	17,430
Charged in year	884	1,475	2,359
Disposals	(25)	(864)	(889)
Translation difference	(592)	(821)	(1,413)
31 March 2014	7,547	9,940	17,487
Net book value:			
1 April 2013	36,256	4,980	41,236
31 March 2014	32,587	4,100	36,687

12 Fixed assets: Tangible assets (*continued*)

	<i>Other tangible assets £'000</i>
<i>Company:</i>	
Cost or valuation:	
1 April 2013	523
Additions	4
Disposals	(49)
31 March 2014	478
Depreciation:	
1 April 2013	339
Charged in year	51
Disposals	(48)
31 March 2014	342
Net book value:	
1 April 2013	184
31 March 2014	136

Tangible fixed assets at 31 March 2014 have been included on the following bases:

- Trading property is included at cost less depreciation
- Other tangible assets comprise fixtures, fittings, plant, machinery and motor vehicles. These assets are included at cost less provision for depreciation and, if appropriate, impairment in value.

Notes on the accounts

continued

13 Fixed assets: Investments in joint ventures

	<i>Group</i> £'000	<i>Company</i> £'000
At 1 April 2013	3,730	597
Repaid	(793)	–
Provisions released	–	76
Share of earnings	7	–
At 31 March 2014	2,944	673

At both 1 April 2013 and 31 March 2014 the Group held interests in the following joint ventures:

- 50% of the voting rights and exercises joint control of Bowmore Estates Limited (“Bowmore”), a property development company incorporated in England and Wales;
During the year ended 31 March 2014 Bowmore repaid £758,307 of its funding loan from the Group (2013: the Group advanced £170,000 to Bowmore). At 31 March 2014 the principal of the loan was £4,000,000 (2013: £4,758,307). No interest is payable on the loan.
- 50% of the voting rights and exercises joint control of Heathman Estates Limited (“Estates”), a property investment company incorporated in Scotland. Estates owns two commercial properties in Scotland.

At 31 March 2014 the Group had advanced £1,650,000 to Estates (2013: £1,750,000). The loan is secured on the two properties owned by Estates, is repayable in March 2015 and is included in Debtors (note 17). Estates repaid £100,000 (2013: £nil) during the year. At 31 March 2014 interest of £nil (2013: £3,452) was due.

Further information, as required by FRS 9 is set out below:

	<i>Group share of joint ventures</i> £'000
Turnover	1,093
Loss before taxation	(53)
Taxation	60
Profit after taxation	7
Fixed assets	1,460
Current assets	2,401
Liabilities due within one year	(92)
Liabilities due after one year	(825)

Estates and Bowmore are subject to UK corporation tax.

14 Fixed assets: Other investments

	<i>Listed</i> £'000	<i>Forestry</i> £'000	<i>Other</i> £'000	<i>Total</i> £'000
<i>Group:</i>				
Cost or market value				
1 April 2013	86,739	1,004	8,421	96,164
Additions	3,841	–	2,647	6,488
Disposals	(9,669)	(1,004)	(450)	(11,123)
Revaluation surplus	4,075	–	–	4,075
31 March 2014	84,986	–	10,618	95,604
Provisions				
1 April 2013	2,048	–	1,512	3,560
Increase/(decrease) in year	76	–	(57)	19
Disposals	(56)	–	(450)	(506)
31 March 2014	2,068	–	1,005	3,073
Net book value:				
31 March 2013	84,691	1,004	6,909	92,604
31 March 2014	82,918	–	9,613	92,531
	<i>Listed</i> £'000	<i>Shares in subsidiary undertakings</i> £'000	<i>Other</i> £'000	<i>Total</i> £'000
<i>Company:</i>				
Cost or market value				
1 April 2013	86,739	28,175	8,421	123,335
Additions	3,841	–	1,874	5,715
Disposals	(9,669)	–	(450)	(10,119)
Revaluation surplus	4,075	–	–	4,075
31 March 2014	84,986	28,175	9,845	123,006
Provisions				
1 April 2013	2,048	1,073	1,512	4,633
Increase/(decrease) in year	76	115	(57)	134
Disposals	(56)	–	(450)	(506)
31 March 2014	2,068	1,188	1,005	4,261
Net book value:				
31 March 2013	84,691	27,102	6,909	118,702
31 March 2014	82,918	26,987	8,840	118,745

Notes on the accounts

continued

15 Subsidiary undertakings

The company owned the proportions set out below of the issued share capital of the following principal subsidiary undertakings:

	<i>Percentage of equity owned at 31 March 2014</i>	<i>Country of registration/ incorporation</i>
Property		
Taylor Clark Properties Limited	100	Scotland
TCP Atlantic Square Limited	100*	England
Farming and forestry		
Wylve Valley Farming Limited	100	England
USA (Property, farming, hotels and restaurants)		
Taylor Clark Inc	100*	USA
Castlehill Properties Inc	100*	USA
Heathman Hotel Portland LLC	100*	USA
Kirkland Hotel Group LLC	100*	USA

*Owned by a subsidiary undertaking

16 Stocks

	<i>Group</i>	
	<i>2014</i>	<i>2013</i>
	<i>£'000</i>	<i>£'000</i>
Stocks comprise:		
Farm produce	256	241

17 Debtors

	<i>Group</i>		<i>Company</i>	
	<i>2014</i>	<i>2013</i>	<i>2014</i>	<i>2013</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
<i>Amounts due after one year</i>				
Amounts owed by subsidiary undertakings	–	–	24,100	23,281
Amounts owed by joint ventures	–	1,750	–	1,750
	–	1,750	24,100	25,031
<i>Amounts due within one year</i>				
Trade debtors	252	261	–	3
Owed by subsidiary undertaking	–	–	–	152
Owed by joint ventures	1,652	9	1,652	9
Corporation tax receivable	69	418	–	66
Other debtors	415	417	72	34
Prepayments and accrued income	383	281	254	135
Deferred tax asset (note 19)	–	–	3	2
	2,771	1,386	1,981	401

18 Creditors: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	1,680	1,637	1,680	1,637
Trade creditors	647	1,227	32	65
Amounts owed to subsidiary undertakings	–	–	28,407	25,206
Other creditors including taxation and social security	1,296	619	755	213
Accruals and deferred income	681	1,602	97	777
	4,304	5,085	30,971	27,898
<i>Other creditors including taxation and social security comprise:</i>				
Corporation tax	–	61	–	–
Other creditors	1,296	558	755	213
	1,296	619	755	213

£1,680,000 (2013: £1,637,000) of the bank loans and overdrafts are secured by a debenture granted to a bank over the whole assets and undertaking of the Company.

19 Provisions for liabilities and charges

	<i>Deferred taxation</i>
	£'000
<i>Group</i>	
1 April 2013	1,302
Credited to profit and loss account	(215)
Translation difference	(117)
31 March 2014	970
<i>Company</i>	
	<i>Deferred taxation</i>
	£'000
1 April 2013 – asset, see note 17	(2)
Credited to profit and loss account	(1)
31 March 2014 – asset, see note 17	(3)

Notes on the accounts

continued

19 Provisions for liabilities and charges (continued)

The elements of deferred taxation are as follows:

	Group		Company	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Difference between accumulated depreciation and amortisation and capital allowances	1,581	800	–	–
Basis difference and other timing differences	–	672	–	–
Deferred tax provision	1,581	1,472	–	–
Deferred tax assets				
Basis difference and other timing differences	490	–	–	–
Expenses not currently deductible	53	170	3	2
Losses not utilised in year	68	–	–	–
	611	170	3	2
Deferred tax liability/(asset)	970	1,302	(3)	(2)

20 Share capital

	Ordinary A shares of £0.10		Ordinary B shares of £0.10		Total
	Number	Value £'000	Number	Value £'000	Value £'000
Allotted, called up and fully paid					
At 31 March 2013 and 2014	748,236	75	8,598,877	860	935

The A shares and the B shares rank *pari passu* except

- When a dividend is declared on the A shares a dividend must also be declared on the B shares and vice versa
- The dividend per share on the B shares must be 110% of the dividend per share on the A shares
- On a winding up of the company the B shares will be entitled to a distribution per share of 110% of the amount distributed per share on the A shares
- The holders of the B shares have no rights to receive notice of or to attend or to vote at any General Meeting of the Company.

21 Reserves

	<i>Capital redemption reserve £'000</i>	<i>Revaluation reserve listed investments £'000</i>	<i>Profit and loss account £'000</i>	<i>Total £'000</i>
<i>Group</i>				
1 April 2013	1,368	17,555	136,683	155,606
Profit for the year	-	-	325	325
Dividends paid	-	-	(1,565)	(1,565)
Increase arising on revaluation	-	4,075	-	4,075
Realised on disposal	-	(2,244)	2,244	-
Currency translation difference	-	-	(2,151)	(2,151)
31 March 2014	1,368	19,386	135,536	156,290

	<i>Capital redemption reserve £'000</i>	<i>Revaluation reserve listed investments £'000</i>	<i>Profit and loss account £'000</i>	<i>Total £'000</i>
<i>Company</i>				
1 April 2013	1,368	17,555	110,636	129,559
Loss for the year	-	-	(419)	(419)
Dividends paid	-	-	(1,565)	(1,565)
Increase arising on revaluation	-	4,075	-	4,075
Realised on disposal	-	(2,244)	2,244	-
31 March 2014	1,368	19,386	110,896	131,650

At 31 March 2014, the cumulative negative goodwill credited to group reserves amounted to £1,186,000 (2013: £1,186,000).

Notes on the accounts

continued

22 Notes to the cash flow statement

Reconciliation of operating loss to net cash outflow from operating activities

	2014	2013
	£'000	£'000
Group operating loss	(65)	(2,430)
Loss on asset disposal (in above)	(41)	–
Depreciation charges	2,359	2,621
Currency translation differences	86	262
(Increase)/decrease in stocks	(15)	35
Decrease/(increase) in debtors	16	(1,235)
(Decrease)/increase in creditors	(763)	1,399
(Increase)/decrease in property and developments	(383)	3,367
Goodwill amortisation	43	9
Net cash inflow from operating activities	1,237	4,028

Returns on investments and servicing of finance

Interest received	171	33
Interest paid	(46)	(369)
Net cash inflow/(outflow) from returns on investments and servicing of finance	125	(336)

Capital expenditure and financial investment

Purchase of tangible fixed assets	(1,119)	(2,860)
Purchase of fixed asset investments	(6,488)	(24,866)
Proceeds from sales of tangible fixed assets	42	10,777
Proceeds from sales of fixed asset investments	11,885	25,943
Net cash inflow from capital expenditure and financial investment	4,320	8,994

Acquisitions and disposals

Received from/(invested in) joint ventures	793	(170)
Net cash inflow/(outflow) from acquisitions and disposals	793	(170)

Management of liquid resources

Cash withdrawn from fixed deposits	549	2,012
Increase in current asset investments	(235)	(75)
Net cash inflow from management of liquid resources	314	1,937

22 Notes to the cash flow statement (continued)

Analysis of net funds

	1 April 2013	Cash flow	Exchange Movement	31 March 2014
	£'000	£'000	£'000	£'000
Cash in hand and at bank	3,607	5,598	(295)	8,910
Overdrafts	(1,637)	(80)	37	(1,680)
		5,518		
Debt due after 1 year	–	–	–	–
Debt due within 1 year	–	–	–	–
Funds on deposit over one day	12,688	(549)	–	12,139
Current asset investments	704	235	–	939
Total	15,362	5,204	(258)	20,308

23 Commitments

The Company holds investments which may result in the drawdown of further funds in future periods. Under this arrangement, the Company is committed to providing further investment of £21,625,000 (2013: £8,843,000).

The Company has a commitment under an operating lease to pay rent for its offices of £197,000 per annum (2013: £197,000 per annum) until June 2017.

24 Contingent liabilities

The Company, together with certain of its fellow group undertakings, has group facilities with its bankers. In connection with these facilities each participating undertaking has guaranteed the debt due by its fellow participating undertakings to its bankers. The Company's potential liability under the guarantee at 31 March 2014 was £nil (2013: £nil).

25 Related party transactions

The Group's related parties, as defined by Financial Reporting Standard 8, the nature of the relationship and the extent of transactions with them are summarised below:

	Sub note	2014 £'000	2013 £'000
Management charge to The Underwood Trust, in respect of services provided by the group	1	23	23
Dividends paid by Taylor Clark Limited and received in a beneficial capacity by:			
The Underwood Trust		355	349
Directors of Taylor Clark Limited		181	178

Sub notes

- At 31 March 2014, The Underwood Trust held 2,107,177 B shares (2013: 2,107,177 B shares) of £0.10 each, representing 24.5% (2013: 24.5%) of the B shares in issue and 22.5% (2013: 22.5%) of the total shares in issue.

The Underwood Trust is an English charitable trust which was established in 1973. The Trustees of The Underwood Trust include Mr R Clark and Mrs B J Wilson, who are shareholders in Taylor Clark Limited. Mrs Wilson is also a director of Taylor Clark Limited.

- Mr R Clark and his family and Mr C Clark are the ultimate controlling parties of the group.
- During the year no amounts were written off any of the balances with related parties.

Financial record

for the years ended 31 March

	2014 £'000	2013 £'000	2012 £'000	2011 £'000	2010 £'000
Group turnover	15,197	18,287	14,491	13,663	16,590

Reconciliation of movements in shareholders' funds

Profit/(loss) after taxation	325	(3,733)	(9,855)	2,986	6,052
Dividends	(1,565)	(1,537)	(811)	(1,381)	(742)
Other recognised gains	1,924	9,849	2,875	3,533	4,059
Purchase of own shares	–	–	–	–	(8,208)
Net movement in shareholders' funds	684	4,579	(7,791)	5,138	1,161
Opening balance of shareholders' funds	156,541	151,962	159,753	154,615	153,454
Closing balance of shareholders' funds	157,225	156,541	151,962	159,753	154,615

Balance sheet

Fixed assets:

Tangible assets	36,897	41,489	49,788	49,005	61,710
Investments	95,475	96,334	92,099	92,920	74,942
Net current assets	25,823	20,020	14,153	31,412	34,274
Other liabilities and provisions	(970)	(1,302)	(4,078)	(13,584)	(16,311)
Net assets	157,225	156,541	151,962	159,753	154,615

Capital and reserves

Called up share capital	935	935	935	935	935
Revaluation reserve	19,386	17,555	18,756	18,811	16,264
Other reserves	136,904	138,051	132,271	140,007	137,416
Shareholders' funds	157,225	156,541	151,962	159,753	154,615

Directors of principal subsidiary companies

Taylor Clark Properties Limited

Jon Brand
John Dippie
Reg Harvey

Wylfe Valley Farming Limited

Andrew Clark
Reg Harvey

Taylor Clark Inc

Reg Harvey*
John Dippie*
Andy Macdonald

Managers
Crawford International Inc

*Non-executive