

ABBAY INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 APRIL 2015

TUESDAY



A4HG8Z7U

A10

06/10/2015

#202

COMPANIES HOUSE

ABBAY INVESTMENTS LIMITED

COMPANY INFORMATION

DIRECTORS : C. H. Gallagher (Chairman)
L.G Fraquelli
D.J. Dawson

SECRETARY : D.J. Dawson

REGISTERED OFFICE : Abbey House
2 Southgate Road
Potters Bar
Hertfordshire EN6 5DU

Telephone Potters Bar (01707) 651266
Fax : Potters Bar (01707) 621208

REGISTERED NO. : 0543586

AUDITORS : Ernst & Young
Chartered Accountants
Ernst and Young Building
Harcourt Centre
Harcourt Street
Dublin 2

BANKERS : Barclays Bank plc
Barclays Business Centre
St. Albans City Branch
Blenheim Gate
22/24 Upper Marlborough Road
St. Albans City Branch
Hertfordshire AL1 3AL

SOLICITORS : Dickins Shiebert Limited
Matthew House (first floor)
45/47 High Street
Potters Bar
Hertfordshire EN6 5AW

ABBHEY INVESTMENTS LIMITED

INDEX TO REPORT AND FINANCIAL STATEMENTS - 30 APRIL 2015

	PAGE
STRATEGIC REPORT	1
DIRECTORS' REPORT	2-3
INDEPENDENT AUDITOR'S REPORT	4-5
PROFIT AND LOSS ACCOUNT	6
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES	7
NOTE OF HISTORICAL COST PROFITS	7
BALANCE SHEET	8
NOTES TO THE FINANCIAL STATEMENTS	9-12

STRATEGIC REPORT

The directors present their strategic report for the year ended 30 April 2015.

RESULTS FOR THE FINANCIAL YEAR

The profit for the year, after taxation, amounted to £726,535 (2014: £518,173) which has been transferred to profit and loss reserves.

No dividend was paid during the year (2014: Nil). The Directors do not propose a final dividend.

KEY PERFORMANCE INDICATORS

Measurement of the company's performance is consistently applied and control is exercised by management. The company has a budgeting system in place whereby actual performance is measured against budget, both financial and non-financial, on a monthly reporting timetable.

BUSINESS REVIEW

The property investment operations during the year produced rental income of £590,758 (2014: £568,008) and operating profit of £786,575 (2014: £456,180).

A review of the business of the Abbey plc group, of which the company forms a part, is given in the 2015 Annual Report of the intermediate holding company, Abbey plc, a company incorporated in the Republic of Ireland and listed on the ESM of the Irish Stock Exchange and the AIM on the London Stock Exchange.

PRINCIPAL RISKS AND UNCERTAINTIES

Company law requires the Company to give a description of the principal risks and uncertainties which it faces. Abbey Investments Limited business, in which it is engaged, is constantly evolving and the list below of the principal risks for the Company are constantly changing:

- * The Company is engaged in property investment and rental which relies on its tenant's financial health.
- * Any reduction in economic growth in the UK may adversely affect income and property values.
- * The Company is subject to substantial laws, regulations and standards such as environmental and health and safety, which could result in additional costs related to compliance with these laws and regulations.
- * Any adverse economic interest rate changes will impact on the Company.

By order of the board



D. J. DAWSON

Secretary

7 July 2015

DIRECTORS' REPORT

The directors present their financial statements for the year ended 30 April 2015.

DIVIDENDS

The Directors have not authorised or paid any dividends for the financial year ending 30 April 2015 (2014: £nil).

CORPORATE SOCIAL RESPONSIBILITY

We are fully committed to operating ethically and responsibly in relation to customers, neighbours and all other stakeholders.

Health and Safety

The Company pays particular adherence to health and safety matters.

Environment

The Company pays particular adherence to applicable environmental legislation.

FIXED ASSETS

Information relating to changes in tangible fixed assets is given in note 7 to the accounts.

In accordance with the company's accounting policy, all freehold and leasehold properties were revalued by external valuers at 30 April 2014. The valuation of £6,282,000 is incorporated into the 2015 accounts. The directors have reviewed the valuation and consider that no material adjustment is required.

IMPORTANT EVENTS SINCE THE YEAR END

There have been no significant events affecting the company since year end.

DIRECTORS AND THEIR INTERESTS

All the directors stated above held office throughout the year.

Mr. D.J. Dawson retires by rotation and, being eligible, offers himself for re-election.

The directors who held office at the end of the financial year had, at no time, any beneficial interest in the shares of the company. Mr C.H. Gallagher and Mr L.G. Fraquelli were directors of the intermediate holding company, Abbey plc, and their interests in the shares of Abbey plc are disclosed in that company's directors' report.

ABBEY INVESTMENTS LIMITED**DIRECTORS' REPORT (continued)****DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Strategic Report and 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 Statements and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to:

- * select suitable accounting policies and then apply them consistently;
- * make adjustments 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; and
- * 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were members of the board at the time of approving the directors' report are listed under company information above. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- * to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report which the company's auditors are unaware; and
- * each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the board



D. J. DAWSON

Secretary

7 July 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY INVESTMENTS LIMITED

We have audited the financial statements of Abbey Investments Limited for the year ended 30 April 2015 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Note of Historical Cost Profits, the Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 Strategic Report and the Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY INVESTMENTS LIMITED (Continued)

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, 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.

Ernst & Young.

*Frank O'Keeffe (Senior statutory auditor)
for and on behalf of Ernst & Young, Statutory Auditor
Dublin
7 July 2015*

ABBHEY INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2015**

	Note	2015 £	2014 £
TURNOVER - continuing operations	2	590,758	568,008
COST OF SALES		(29,160)	(29,161)
GROSS PROFIT		561,598	538,847
ADMINISTRATIVE EXPENSES	3	224,977	(82,651)
OPERATING PROFIT - continuing operations	3	786,575	456,196
REVERSAL OF PROPERTY IMPAIRMENT	7	-	83,000
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		786,575	539,196
Net interest receivable	5	148,153	125,655
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		934,728	664,851
Taxation	6	(208,193)	(146,678)
PROFIT FOR THE FINANCIAL YEAR	12	726,535	518,173

ABBHEY INVESTMENTS LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 APRIL 2015**

	2015 £	2014 £
Profit for the financial year and total recognised gains	726,535	518,173
Unrealised surplus on revaluation of trading properties	-	528,680
Total gains recognised for the financial year	<u>726,535</u>	<u>1,046,853</u>

**NOTE OF HISTORICAL COST PROFITS
FOR THE YEAR ENDED 30 APRIL 2015**

	2015 £	2014 £
Reported profit on ordinary activities before taxation	934,728	664,851
Historical cost profit on ordinary activities before taxation	<u>934,728</u>	<u>664,851</u>
Historical cost profit on ordinary activities after taxation	<u>726,535</u>	<u>518,173</u>

ABBHEY INVESTMENTS LIMITED

Company number: 0543586

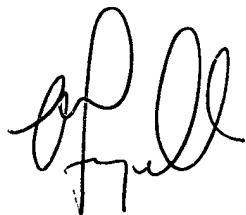
BALANCE SHEET AS AT 30 APRIL 2015

	Note	2015 £	2014 £
TANGIBLE FIXED ASSETS	7	6,221,436	6,282,000
CURRENT ASSETS			
Debtors	8	4,675,462	3,891,009
Cash at bank and in hand		36,414	16,023
		4,711,876	3,907,032
CREDITORS: Amounts falling due within one year	9	(119,583)	(101,838)
NET CURRENT ASSETS		4,592,293	3,805,194
TOTAL ASSETS LESS LIABILITIES		10,813,729	10,087,194
CAPITAL AND RESERVES			
Called up share capital	10	250,000	250,000
Property revaluation reserve	11	3,584,775	3,584,775
Profit and loss account	12	6,978,954	6,252,419
SHAREHOLDERS' FUNDS	12	10,813,729	10,087,194

L.G. Fraquelli

Director

7 July 2015



NOTES TO THE FINANCIAL STATEMENTS - 30 APRIL 2015

1 ACCOUNTING POLICIES

- (a) Accounting convention
The accounts are prepared on the going concern basis under the historical cost convention (modified to include the revaluation of land and buildings) and are in accordance with generally accepted accounting practice in the United Kingdom.
- (b) Cash flow statement
Under the provisions of Financial Reporting Standard 1 (Revised 1996) "Cash Flow Statements", exempts subsidiary undertakings from the requirement to prepare a cash flow statement where 90% or more of the voting rights are controlled by a group that prepares publicly available consolidated financial statements in which the subsidiary undertaking's results are included. The company has availed of this exemption.

- (c) Fixed assets
Properties occupied by group companies are classified as trading properties and are revalued triennially by external valuers on an open market value basis. The directors review the valuations of all properties annually. Revaluation gains, if material, are incorporated in the financial statements and are charged to the property revaluation reserve accordingly. Any impairment loss is firstly charged to the revaluation reserve to the extent that a surplus exists and thereafter to the profit and loss account.
- (d) Depreciation
Depreciation is provided on all property, other than land, on a straight line basis over the expected useful life as follows: Buildings - 50 years
- (e) Deferred taxation
Provision for deferred taxation is recognised in full on timing differences which exist at the balance sheet date. Deferred tax is measured using tax rates substantively enacted at the balance sheet date.
- (f) Leasing
Operating lease rentals are charged to profit and loss account as incurred.

2 TURNOVER

Turnover comprises rents receivable (exclusive of VAT) wholly derived from property investment in the United Kingdom.

3 OPERATING PROFIT

	2015	2014
The operating profit is stated after (credit) / charging :	£	£
Settlement of legal fees for CPO	(298,218)	-
Management charge payable to parent undertaking	9,144	14,700
Depreciation	60,564	60,548
Operating lease rentals - land and buildings	29,160	29,161
Auditors' remuneration - audit fees	2,000	2,000
- non audit fees	1,500	1,500

4 STAFF COSTS AND REMUNERATION OF DIRECTORS

Staff costs and directors' remuneration were not incurred during the years ended 30 April 2015 and 30 April 2014 by virtue of the fact that no persons were employed directly by the company during those years.

5 NET INTEREST RECEIVABLE

	2015	2014
Group interest receivable	148,153	125,080
Sundry interest receivable / (payable)	-	575

ABBEEY INVESTMENTS LIMITED
NOTES TO THE FINANCIAL ACCOUNTS - 30 APRIL 2015 (continued)
6 TAXATION

The tax charge is made up as follows:

	2015	2014
	£	£
Based on the profit for the year:		
Corporation tax at 20.92% (2014 : 22.83%)	208,193	146,696
Adjustment in respect of previous year	-	(18)
	<hr/> 208,193	<hr/> 146,678

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 20.92% (2014: 22.83%). The differences are reconciled below:

	2015	2014
	(% of profit before taxation)	(% of profit before taxation)
UK corporation tax rate	20.92	22.83
Effect of:		
Expenses not deductible for tax purposes	1.35	2.10
Other timing differences	-	(2.87)
Adjustment in respect of previous year	<hr/> -	<hr/> -
	<hr/> 22.27	<hr/> 22.06

The potential deferred taxation on the revaluation of trading and investment properties is £102,321(2014: £106,792).

7 TANGIBLE FIXED ASSETS

	2015	2014
	£	£
	Land and	Land and
	Buildings	Buildings
<i>Cost or Valuation</i>		
At 1 May	6,584,800	5,973,120
Revaluation	-	528,680
Reversal of impairment	-	83,000
	<hr/> 6,584,800	<hr/> 6,584,800
At 30 April	6,584,800	6,584,800
<i>Depreciation</i>		
At 1 May	302,800	242,252
Provided during the year	60,564	60,548
	<hr/> 363,364	<hr/> 302,800
At 30 April	363,364	302,800
<i>Net book value</i>		
At 30 April	<hr/> 6,221,436	<hr/> 6,282,000

ABBAY INVESTMENTS LIMITED
NOTES TO THE FINANCIAL ACCOUNTS - 30 APRIL 2015 (continued)
7 TANGIBLE FIXED ASSETS (Continued)

(i) All land and buildings were valued at 30 April 2014 by external independent surveyors Glenny, Chartered Surveyors on an existing use value basis. The directors reviewed that overall valuation at 30 April 2015 and considered that no adjustment was required.

(ii) The cost or valuation of land and buildings comprises:

	2015 £	2014 £
Trading properties:		
Freehold land and buildings	5,930,000	5,930,000
Long leasehold property	352,000	352,000
	<hr/>	<hr/>
	6,282,000	6,282,000
	<hr/>	<hr/>

(iii) Under the historical cost convention land and buildings would be stated as follows:

	2015 £	2014 £
Cost:		
Trading properties	3,314,935	3,314,935
	<hr/>	<hr/>

8 DEBTORS

	2015 £	2014 £
Amounts owed by group undertaking	4,669,772	3,883,474
Prepayments and accrued income	5,690	7,535
	<hr/>	<hr/>
	4,675,462	3,891,009
	<hr/>	<hr/>

9 CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Corporation tax	105,102	72,132
Accruals and deferred income	14,481	29,706
	<hr/>	<hr/>
	119,583	101,838
	<hr/>	<hr/>

10 CALLED UP SHARE CAPITAL

	2015 No.	Authorised, allotted and fully paid		2014 £
At 30 April		2015 £	2014 No.	
Ordinary shares of £1 each	250,000	250,000	250,000	250,000
	<hr/>	<hr/>	<hr/>	<hr/>

11 PROPERTY REVALUATION RESERVE

	2015 £	2014 £
The property revaluation reserve comprises :		
<i>Trading properties (note 7)</i>		
At 1 May	3,584,775	3,056,095
Revaluation (note 7)	-	528,680
	<hr/>	<hr/>
At 30 April (note 12)	3,584,775	3,584,775
	<hr/>	<hr/>

ABBAY INVESTMENTS LIMITED
NOTES TO THE FINANCIAL ACCOUNTS - 30 APRIL 2015 (continued)
12 RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 May 2013	250,000	3,056,095	5,734,246	9,040,341
Profit for the financial year	-	-	518,173	518,173
Property revaluation (note 7)	-	528,680	-	528,680
At 1 May 2014	250,000	3,584,775	6,252,419	10,087,194
Profit for the financial year	-	-	726,535	726,535
At 30 April 2015	250,000	3,584,775	6,978,954	10,813,729

13 OBLIGATIONS UNDER LEASES

The Company had annual commitments under non-cancellable operating leases for land and buildings as follows:

At 30 April	2015 £	2014 £
Operating leases which expire: between two and five years	34,140	34,140
	34,140	34,140

14 RELATED PARTY TRANSACTIONS

Abbey Group Limited is the company's immediate parent company and Abbey plc is the company's intermediate parent company.

The Company has taken advantage of the exemption, under FRS 8, from disclosing transactions with wholly owned group companies, as it is a wholly owned subsidiary of Abbey plc, a company incorporated in the Republic of Ireland and listed on the ESM on the Irish Stock Exchange and the AIM on the London Stock Exchange.

15 SUBSEQUENT EVENTS

There have been no significant events affecting the company since the year end.

16 ULTIMATE PARENT UNDERTAKING

The directors consider that the immediate parent undertaking of the Company and smallest group in which the Company is consolidated is Abbey Group Limited and the ultimate parent undertaking to be Shrewsbury Holdings Limited, a company incorporated in Jersey. Copies of the accounts of Gallagher Investments Limited, which is the largest group in which the Company is consolidated, can be obtained from its registered office at Pendragon House, 65 London Road, St. Albans, Hertfordshire, AL1 1LJ England.

17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 7 July 2015.