

Financial statements Iverna Investments Limited

For the Year Ended 31 March 2011

THURSDAY



A47 *AX2ELYJP* 57
20/10/2011
COMPANIES HOUSE

Company No. 00551844

Officers and professional advisers

Company registration number	00551844
Registered office	9 De Walden Court 85 New Cavendish Street London W1W 6XD
Directors	D Reiss E Bond M Reiss C Geller
Secretary	M Reiss
Bankers	National Westminster Bank Plc 125 Great Portland Street London W1A 1GA
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP

Contents

Report of the directors	3 - 4
Independent auditor's report	5 - 6
Accounting policies	7 - 8
Profit and loss account	9
Balance sheet	10
Notes to the financial statements	11 - 14

Report of the directors

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

Principal activities

The company is principally engaged in property investment

Directors

The directors who served the company during the year were as follows

D Reiss
E Bond
M Reiss
C Geller

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom 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 company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Donations

Donations to charitable organisations amounted to £7,948 (2010 £7,548)

Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

ON BEHALF OF THE BOARD



M Reiss

Director

Date 20.09.2011

Independent auditor's report to the members of Iverna Investments Limited

We have audited the financial statements of Iverna Investments Limited for the year ended 31 March 2011 which comprise the profit and loss account, the balance sheet, the accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 pages 3 to 4, 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

Basis for qualified opinion on financial statements

Certain of the tangible fixed assets shown on the balance sheet include investment properties carried at a historic cost of £389,824. In our opinion, these properties should be valued at their open market value as required by Statement of Standard Accounting Practice 19 (SSAP 19). It is not possible for us to state the effect this has had on the financial statements because a valuation has not been performed.

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of Iverna Investments Limited (continued)

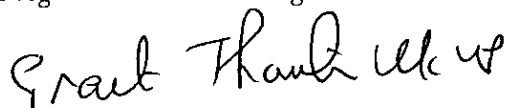
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the report of the directors



HAROLD WILSON
Senior Statutory Auditor
For and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants

London
Date

13 October 2011

Accounting policies

Basis of accounting

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

Turnover

Turnover is the total amount receivable by the company in the ordinary course of business from the rental of properties

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings - reducing balance basis at 25% per annum

Investment properties are included at cost as explained in note 7 to the financial statements. Depreciation is not provided in respect of freehold investment properties

Provision is made in the profit and loss account for any permanent diminution in value of investment properties

Disposal of investment properties

Profits and losses on the disposal of investment properties, after any taxation arising thereon, although distributable are regarded by the directors as being of a capital nature

Deferred taxation

Deferred tax is recognised on all timing difference where the transactions or events that give the company an obligation to pay more, or a right to pay less, tax in the future have occurred by the balance sheet date

Deferred tax assets are recognised when it is more likely than not that they will be recovered

Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Investments

Investments are included at cost less amounts written off.

Income from fixed asset investments

Dividend income from fixed asset investments is accounted for on a received basis.

Profit and loss account

	Note	2011 £	2010 £
Rents receivable		406,296	401,112
Property expenses		259,249	225,702
Gross profit		147,047	175,410
Other operating charges	1	101,374	95,113
Other operating income	2	(228,333)	(240,333)
Operating profit	3	274,006	320,630
Interest receivable and similar income	4	11,698	11,813
Profit on ordinary activities before taxation		285,704	332,443
Tax on profit on ordinary activities	5	23,755	33,604
Profit for the financial year	13	261,949	298,839

The accompanying accounting policies and notes form part of these financial statements.


Balance sheet

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	7	738,486	566,976
Investments	8	19,408	19,408
		<u>757,894</u>	<u>586,384</u>
Current assets			
Debtors	9	59,142	37,702
Cash at bank		628,723	786,500
		<u>687,865</u>	<u>824,202</u>
Creditors, amounts falling due within one year	10	586,252	613,028
Net current assets		<u>101,613</u>	<u>211,174</u>
Total assets less current liabilities		<u>859,507</u>	<u>797,558</u>
Capital and reserves			
Called-up equity share capital	12	60,000	60,000
Other reserves	13	76,553	76,553
Profit and loss account	13	722,954	661,005
Shareholders' funds		<u>859,507</u>	<u>797,558</u>

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

These financial statements were approved by the directors and authorised for issue on 20.09.2011, and are signed on their behalf by


M Reiss


C Geller

Company Registration Number 00551844

Notes to the financial statements

1 Other operating charges

	2011 £	2010 £
Administrative expenses	<u>101,374</u>	<u>95,113</u>

2 Other operating income

	2011 £	2010 £
Other operating income	<u>228,333</u>	<u>240,333</u>

3 Operating profit

Operating profit is stated after charging

	2011 £	2010 £
Directors' remuneration	26,000	26,000
Depreciation of owned fixed assets	59,875	79,834
Auditor's fees	<u>4,300</u>	<u>4,100</u>

4 Interest receivable and similar income

	2011 £	2010 £
Bank interest receivable	2,698	2,813
Other similar income receivable	<u>9,000</u>	<u>9,000</u>
	<u>11,698</u>	<u>11,813</u>

5 Taxation on ordinary activities

Analysis of charge in the year

	2011 £	2010 £
Current tax		
UK Corporation tax based on the results for the year	26,000	38,000
Over provision in prior year	<u>(2,245)</u>	<u>(4,396)</u>
Total current tax	<u>23,755</u>	<u>33,604</u>

6 Dividends

Dividends on shares classed as equity

	2011 £	2010 £
Paid during the year		
Equity dividends on ordinary shares	<u>200,000</u>	<u>200,000</u>
Proposed after the year-end (not recognised as a liability)		
Equity dividends on ordinary shares	<u>200,000</u>	<u>200,000</u>

7 Tangible fixed assets

	Investment properties £	Fixtures & fittings £	Total £
Cost			
At 1 April 2010	327,475	1,065,783	1,393,258
Additions	<u>62,349</u>	<u>169,036</u>	<u>231,385</u>
At 31 March 2011	<u>389,824</u>	<u>1,234,819</u>	<u>1,624,643</u>
Depreciation			
At 1 April 2010	—	826,282	826,282
Charge for the year	<u>—</u>	<u>59,875</u>	<u>59,875</u>
At 31 March 2011	<u>—</u>	<u>886,157</u>	<u>886,157</u>
Net book value			
At 31 March 2011	<u>389,824</u>	<u>348,662</u>	<u>738,486</u>
At 31 March 2010	<u>327,475</u>	<u>239,501</u>	<u>566,976</u>

The investment properties are included in the balance sheet at cost SSAP 19, Accounting for Investment Properties, states that investment properties should be included at their open market values. Although the directors are aware that the market values may exceed cost they do not consider that the time and expense involved in an external valuation of the properties would be merited, and in their opinion any such valuation would serve no practical purpose.

8 Investments

	Shares in participating interests £
Cost	
At 1 April 2010 and 31 March 2011	<u>19,408</u>
Net book value	
At 1 April 2010 and 31 March 2011	<u>19,408</u>

At 31 March 2011 the company held more than 20% of the allotted ordinary share capital of the following companies, registered in England and Wales

	Aggregate capital and reserves £	Profit/ (loss) for the year £
25% Cowley Street Investments (Westminster) Limited	1,019,050	228,937
50% Ralwood Securities Limited	2,197,105	413,197
50% Thorngate Holdings Limited	106,162	16,809
50% Thornmead Holdings Limited	62,631	10,645
50% Thornmead Investments Limited	695,938	(39,836)
22% Woodmond Securities Limited	123,691	152,210

The directors are of the opinion that the aggregate value of the company's interest in these undertakings is not less than the aggregate at which they are included in the company's balance sheet. The accounts of all the above undertakings have a qualified audit report because of the inclusion of investment properties at cost. This is not in accordance with the Statement of Standard Accounting Practice 19.

9 Debtors

	2011 £	2010 £
Amounts owed by related undertakings	9,000	9,000
Prepayments and accrued income	<u>50,142</u>	<u>28,702</u>
	<u>59,142</u>	<u>37,702</u>

10 Creditors: amounts falling due within one year

	2011 £	2010 £
Corporation tax	26,000	38,000
PAYE and social security	17,453	15,843
Directors' loan accounts	436,439	451,439
Accruals and deferred income	<u>106,360</u>	<u>107,746</u>
	<u>586,252</u>	<u>613,028</u>

11 Related party transactions

During the year the company was charged managing agents' commission of £5,000 (2010 £5,000) by C Geller. This amount was outstanding at the year end (2010 £5,000)

The company was charged accountancy, secretarial and office management fees of £17,500 (2010 £12,500) by Holland and Reiss, a firm owned by M Reiss. This amount was outstanding at the year end (2010 £12,500)

The company levied service charges of £9,000 (2010 £9,000) on Ralwood Securities Limited, a related undertaking. This balance is due at the year end (2010 £9,000)

12 Share capital

Authorised share capital

	2011	2010
	£	£
60,000 Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>

Allotted, called up and fully paid

	2011		2010	
	No	£	No	£
60,000 Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>

13 Reserves

	Capital reserve	Profit and loss account
	£	£
At 1 April 2010	76,553	661,005
Profit for the year	—	261,949
Equity dividends	—	(200,000)
At 31 March 2011	<u>76,553</u>	<u>722,954</u>

14 Capital commitments

The company had no capital commitments at 31 March 2011 or 31 March 2010

15 Contingent liabilities

There were no contingent liabilities at 31 March 2011 or 31 March 2010