

**Company Registration No. 00553823 (England and Wales)**

**COURTENAY INVESTMENTS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JANUARY 2014**



# **COURTENAY INVESTMENTS LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

L J Osband  
R A S Osband  
S Hillman  
G Davies (alternate director)  
M P Smith  
P M E Osband

### **Secretary**

M P Smith

### **Company number**

00553823

### **Registered office**

Royal Geographical Society Building  
1 Kensington Gore  
London  
SW7 2AR

### **Auditors**

Gerald Edelman  
25 Harley Street  
London  
W1G 9BR

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# **COURTENAY INVESTMENTS LIMITED**

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# COURTENAY INVESTMENTS LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 JANUARY 2014

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The directors present their report and financial statements for the year ended 31 January 2014.

#### Principal activities

The principal activity of the company during the year continued to be that of property investment.

#### Results and dividends

The results for the year are set out on page 5.

No dividends were paid during the year.

#### Directors

The following directors have held office since 1 February 2013:

L J Osband  
R A S Osband  
S Hillman  
G Davies (alternate director)  
M P Smith  
P M E Osband

Charitable donations	2014 £	2013 £
During the year the company made the following payments:		
Charitable donations	4,000	-

#### Auditors

In accordance with the company's articles, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

# **COURTENAY INVESTMENTS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JANUARY 2014**

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### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

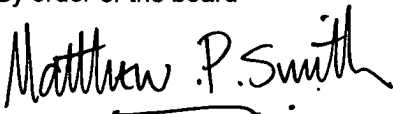
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies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

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the board



M P Smith

**Secretary**

25 July 2014

# **COURTENAY INVESTMENTS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF COURTENAY INVESTMENTS LIMITED**

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We have audited the financial statements of Courtenay Investments Limited for the year ended 31 January 2014 set out on pages 5 to 14. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2014 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **COURTENAY INVESTMENTS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

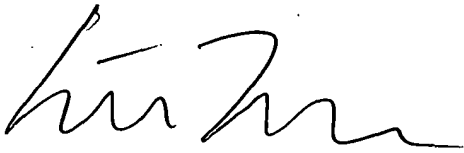
### **TO THE MEMBERS OF COURTENAY INVESTMENTS LIMITED**

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#### **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.



**Engin Zekia FCA (Senior Statutory Auditor)**  
**for and on behalf of Gerald Edelman**

25 July 2014

**Chartered Accountants**  
**Statutory Auditor**

25 Harley Street  
London  
W1G 9BR

# COURTENAY INVESTMENTS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2014

	Notes	2014 £	2013 £
<b>Rents receivable</b>		2,659,983	2,642,406
Property expenses		(510,229)	(622,524)
<b>Gross profit</b>		2,149,754	2,019,882
Administrative expenses		(2,086,413)	(2,089,594)
<b>Operating profit/(loss)</b>	<b>2</b>	63,341	(69,712)
Loss on sale of property		(61,369)	-
Exceptional income	<b>19</b>	780,000	-
<b>Profit/(loss) on ordinary activities before interest</b>		781,972	(69,712)
Other interest receivable and similar income		17,658	4,867
Interest payable and similar charges	<b>3</b>	(96,499)	(101,524)
<b>Profit/(loss) on ordinary activities before taxation</b>		703,131	(166,369)
Tax on profit/(loss) on ordinary activities	<b>4</b>	(169,622)	-
<b>Profit/(loss) for the year</b>	<b>11</b>	533,509	(166,369)

The profit and loss account has been prepared on the basis that all operations are continuing operations.



# COURTENAY INVESTMENTS LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 JANUARY 2014

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	Notes	2014 £	2013 £
Profit/(loss) for the financial year		533,509	(166,369)
Unrealised deficit on revaluation of properties		(1,346,867)	(383,000)
Total recognised gains and losses relating to the year		<u>(813,358)</u>	<u>(549,369)</u>

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# COURTENAY INVESTMENTS LIMITED

## BALANCE SHEET

AS AT 31 JANUARY 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	5	24,725,532		29,195,349	
<b>Current assets</b>					
Debtors	6	9,736,083		6,148,203	
Cash at bank and in hand		3,066,790		3,023,784	
		<u>12,802,873</u>		<u>9,171,987</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(773,633)</u>		<u>(679,068)</u>	
<b>Net current assets</b>		<u>12,029,240</u>		<u>8,492,919</u>	
<b>Total assets less current liabilities</b>		<u>36,754,772</u>		<u>37,688,268</u>	
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(1,722,711)</u>		<u>(1,842,789)</u>	
		<u>35,032,061</u>		<u>35,845,479</u>	
<b>Capital and reserves</b>					
Called up share capital	10	719,250		719,250	
Revaluation reserve	11	17,603,048		21,911,652	
Other reserves	11	10,776,719		7,815,042	
Profit and loss account	11	5,933,044		5,399,535	
<b>Shareholders' funds</b>	12	<u>35,032,061</u>		<u>35,845,479</u>	

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board and authorised for issue on 25 July 2014



R A S Osband  
Director

Company Registration No. 00553823

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the revaluation of freehold and long leasehold investment properties.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### 1.3 Rent receivable

Rent receivable represents amounts receivable from third parties, arising from the principal activity carried out in the United Kingdom.

#### 1.4 Tangible fixed assets and depreciation

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

Computer equipment

Fixtures, fittings & equipment                      20% - 33.33% per annum on cost

Freehold and long leasehold investment properties are shown at their open market values.

Although this accounting policy is in accordance with the applicable accounting standard SSAP19, Accounting for Investment Properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is one of the many factors reflected in the annual valuation and the amount of this which might otherwise have been changed cannot be separately identified or quantified.

#### 1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

No provision is made for the potential liability to the taxation which would arise in the event of the realisation of the investment properties held at the balance sheet date at the amount at which they are stated in the financial statements. If the investment properties were disposed of, the taxation liability could amount to approximately £754,000 (2013: £782,000).

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

<b>2</b>	<b>Operating profit/(loss)</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	Operating profit/(loss) is stated after charging:		
	Amortisation of reverse lease premium	-	5,550
	Depreciation of tangible assets	2,809	20,985
	Operating lease rentals	56,794	49,208
	Auditors' remuneration (including expenses and benefits in kind)	27,424	27,568
	- Statutory audit	30,000	30,000
	- Tax compliance	1,000	1,000
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	96,499	101,524
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Taxation</b>	<b>2014</b>	<b>2013</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U.K. corporation tax	169,622	-
		<u>          </u>	<u>          </u>
	<b>Total current tax</b>	169,622	-
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit/(loss) on ordinary activities before taxation	703,131	(166,369)
		<u>          </u>	<u>          </u>
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2013 - 20.00%)	161,720	(33,274)
		<u>          </u>	<u>          </u>
	Effects of:		
	Non deductible expenses	398	5,621
	Capital allowances	(7,185)	(4,889)
	Group relief	(321)	33,377
	Other tax adjustments	15,010	(835)
		<u>          </u>	<u>          </u>
		7,902	33,274
		<u>          </u>	<u>          </u>
	<b>Current tax charge for the year</b>	169,622	-
		<u>          </u>	<u>          </u>

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

### 5 Tangible fixed assets

	Freehold investment properties £	Long leasehold investment properties £	Fixtures, fittings & equipment £	Total £
<b>Cost and valuation</b>				
At 1 February 2013	28,487,000	705,000	149,475	29,341,475
Additions	181,867	-	2,992	184,859
Revaluation	(1,466,867)	120,000	-	(1,346,867)
Disposals	(3,305,000)	-	-	(3,305,000)
At 31 January 2014	23,897,000	825,000	152,467	24,874,467
<b>Depreciation</b>				
At 1 February 2013	-	-	146,126	146,126
Charge for the year	-	-	2,809	2,809
At 31 January 2014	-	-	148,935	148,935
<b>Net book value</b>				
At 31 January 2014	23,897,000	825,000	3,532	24,725,532
At 31 January 2013	28,487,000	705,000	3,349	29,195,349

The company's investment properties were valued by the directors on an open market basis as at 31 January 2014, by reference to informal advice taken from a firm of Chartered Surveyors. The historical cost of the properties as at 31 January 2014 was approximately £4,156,867 (2013: £7,280,000).

### 6 Debtors

	2014 £	2013 £
Trade debtors	78,050	88,219
Amounts owed by group undertakings	9,240,721	5,587,400
Other debtors	395,957	451,375
Prepayments and accrued income	21,355	21,209
	9,736,083	6,148,203

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

<b>7 Creditors: amounts falling due within one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 8)	120,098	116,495
Trade creditors	19,601	9,801
Corporation tax	169,622	-
Other taxes and social security costs	54,565	113,313
Other creditors	89,882	42,722
Accruals and deferred income	319,865	396,737
	<u>773,633</u>	<u>679,068</u>

The loan is secured on certain of the company's properties by way of a fixed charge and interest is charged at 2.55% over base rate.

<b>8 Creditors: amounts falling due after more than one year</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>1,722,711</u>	<u>1,842,789</u>
<b>Analysis of loans</b>		
Not wholly repayable within five years by instalments:		
Bank loans	<u>1,842,809</u>	<u>1,959,284</u>
	1,842,809	1,959,284
Included in current liabilities	<u>(120,098)</u>	<u>(116,495)</u>
	<u>1,722,711</u>	<u>1,842,789</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	123,812	120,098
In more than two years but not more than five years	394,892	383,044
In more than five years	<u>1,204,007</u>	<u>1,339,647</u>

The loan is secured on certain of the company's properties by way of a fixed charge and interest is charged at 2.55% over base rate.

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

### 9 Pension and other post-retirement benefit commitments

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2014 £	2013 £
Contributions payable by the company for the year	12,555	11,152

### 10 Share capital

	2014 £	2013 £
<b>Allotted, called up and fully paid</b>		
719,250 Ordinary shares of £1 each	719,250	719,250

### 11 Statement of movements on reserves

	Revaluation reserve £	Other reserves £	Profit and loss account £
Balance at 1 February 2013	21,911,652	7,815,042	5,399,535
Profit for the year	-	-	533,509
Revaluation during the year	(1,346,927)	-	-
Transfer during the year	(2,961,677)	2,961,677	-
Balance at 31 January 2014	17,603,048	10,776,719	5,933,044

Other reserves represent accumulated surpluses realised on sales of properties which, in accordance with the Articles of Association, are credited to a non-distributable reserve.

### 12 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit/(Loss) for the financial year	533,509	(166,369)
Other recognised gains and losses	(1,346,927)	(728,000)
Net addition to/(depletion in) shareholders' funds	2,148,259	(894,369)
Opening shareholders' funds	35,845,479	36,739,848
Closing shareholders' funds	35,032,061	35,845,479

# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

### 13 Financial commitments

At 31 January 2014 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 January 2015:

	<b>Land and buildings</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Between two and five years	11,625	11,625
In over five years	30,764	30,764
	<u>42,389</u>	<u>42,389</u>

### 14 Capital commitments

At 31 January 2014 the company had capital commitments as follows:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Authorised but not contracted for	137,800	-
	<u>137,800</u>	<u>-</u>

### 15 Directors' remuneration

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	1,272,286	1,481,854
Company pension contributions to defined contribution schemes	12,500	11,125
	<u>1,284,786</u>	<u>1,492,979</u>



# COURTENAY INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2014

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2014 Number	2013 Number
Administration	13	13

#### Employment costs

	2014 £	2013 £
Wages and salaries	1,650,553	1,648,348
Social security costs	224,305	225,774
Other pension costs	12,555	11,152
	<u>1,887,413</u>	<u>1,885,274</u>

### 17 Control

The ultimate holding company is Courtenay Trust Limited.

### 18 Related party transactions

During the year the company paid bookkeeping fees amounting to £28,000 (2013: £8,833) to To Be Advised Limited, a company in which M P Smith is a director and shareholder. No balance was outstanding as at the year end.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

### 19 Exceptional income

Following a dispute in relation to one of the company's properties (this being disclosed as a post balance sheet event in the previous period) a settlement was agreed. As a result the company received damages during the year amounting to £780,000.