

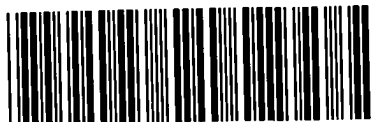
TENIWOOD SECURITIES LIMITED

Company registration number 1054920

Directors' Report and Financial Statements

for the year ended 31st March 2017

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TENIWOOD SECURITIES LIMITED

REPORT AND FINANCIAL STATEMENTS 2017

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TENIWOOD SECURITIES LIMITED

COMPANY INFORMATION

Directors	C S R Stroyan C N Bardswell W D Eason (appointed 24 th May 2017) J H Houssemayne Du Boulay (resigned 5 th May 2016) E Y Whittingdale
Secretary	R W Toye
Registered Office	Temple Chambers Suite 32 3 - 7, Temple Avenue London EC4Y 0HP
Registered Number	1054920
Independent Auditor	Scott-Moncrieff Exchange Place 3 Semple Street Edinburgh EH3 8BL
Solicitors	Brodie LLP 15 Atholl Crescent Edinburgh EH3 8HA
Bankers	The Royal Bank of Scotland plc Perth Chief Office 12 Dunkeld Road Perth PH1 5RB
Investment Managers	Quilter Cheviot Asset Management One Kingsway London WC2B 6AN Investec Wealth & Investment 2 Gresham Street London EC2V 7QP

TENIWOOD SECURITIES LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31st March 2017.

PRINCIPAL ACTIVITIES

The company's business is that of an investment holding company and in addition supplies secretarial and administrative services within the group.

RESULTS AND DIVIDEND

The total comprehensive income amounted to £2,178,362 (2016 - £110,731 deficit).

The directors paid an interim dividend of £100,004 (2016 - £1,743,650). No final dividend is proposed (2016 - Nil).

REVIEW OF BUSINESS

The year was dominated by major national and international events, notably the Brexit referendum in the UK and the presidential election in the USA. The outcome of both these polls was unexpected and had significant impact on the markets. In the event, the subsequent reactions had a substantial positive effect on the performance of the company. In particular, the decline in the value of Sterling helped to boost the dividend income from the foreign and UK portfolios by over 5.5% and substantially increased the market values of the holdings in both investment portfolios.

There was a small decline in administrative expenses year on year and these will continue to be tightly controlled in the future.

The result of the considerable uncertainty persisting in the markets as they wrestle with the possible consequences of Brexit and other serious political and economic problems around the world could have a significant impact on the performance of the company in the forthcoming year. The ensuing imbroglio makes the outcome difficult to forecast with any degree of certainty. However, the directors will continue to seek to take advantage of perceived investment opportunities in what could be a year of high volatility in the markets.

DIRECTORS

The directors who served during the period were as follows:

C S R Stroyan
C H Bardswell
J H Houssemayne Du Boulay (resigned 5th May 2016)
E Y Whittingdale

W D Eason was appointed a director on 24th May 2017

TENIWOOD SECURITIES LIMITED

DIRECTORS' REPORT- (continued)

FINANCIAL INSTRUMENTS

The company invests in the equity markets through investment managers appointed on a discretionary basis. The portfolio is largely invested in direct holdings in UK and overseas equities. There is no exposure to fixed interest instruments. Derivative instruments are not used to hedge the portfolios.

AUDITOR

Scott-Moncrieff is deemed to be reappointed under section 487(2) of the Companies Act 2006.

DIRECTORS' DISCLOSURE OF INFORMATION TO THE AUDITOR


Each of the persons who are directors at the time when this report is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

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

This report was approved by the Board on 2nd August 2017 and signed on its behalf by:



Roger William Toye
Secretary

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2017**

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 applicable law and United Kingdom Accounting Standards Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities). Under company law the directors must not approve the financial statements unless 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 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TENIWOOD SECURITIES LIMITED
for the year ended 31st March 2017**

We have audited the financial statements of Teniwood Securities Limited for the year ended 31st March 2017, which comprise the Statement of Comprehensive Income, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice as applicable to Small 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, 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 Practice's Board's Ethical Standards for Auditors, including "APB Ethical Standards - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 16 to the financial statements.

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 web-site 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 company's affairs as at 31st March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to small entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

TENIWOOD SECURITIES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TENIWOOD SECURITIES LIMITED for the year ended 31st March 2017 - (continued)

Opinion on other matter prescribed by the Companies Act 2006

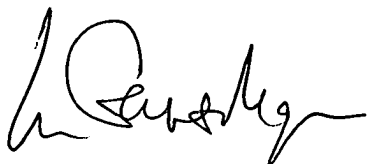
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of our audit, we have not identified any material misstatements in the Directors' Report.

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 take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



W Gareth Magee, Senior Statutory Auditor

For and on behalf of
Scott-Moncrieff, Chartered Accountants
Statutory Auditor
Exchange Place 3
Semple Street
Edinburgh EH3 8BL

Date: *2 August* 2017

TENIWOOD SECURITIES LIMITED**STATEMENT OF COMPREHENSIVE INCOME**
for the year ended 31st March 2017

	Note	2017 £	2016 £
TURNOVER	2	364,019	322,126
Cost of sales		-	-
GROSS PROFIT		364,019	322,126
Administration expenses		(217,045)	(218,987)
OPERATING PROFIT	5	146,974	103,139
Gains/(losses) from fixed asset investments	6	182,950	(9,265)
Unrealised surplus/(deficit) on revaluation of fixed asset investments	9	2,068,130	(248,168)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		2,398,054	(154,294)
Tax on profit/(loss) on ordinary activities	7	(219,692)	43,563
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		2,178,362	(110,731)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE YEAR	12	2,178,362	(110,731)

All activities relate to continuing operations

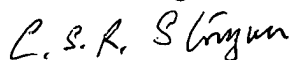
The notes on pages 9 to 20 form part of these financial statements.

TENIWOOD SECURITIES LIMITED**BALANCE SHEET****Company Registration No.: 1054920**
at 31st March 2017

	Note	2017 £	2016 £
FIXED ASSETS			
Tangible assets	8	3,090	5,915
Investments	9	11,827,298	9,776,798
Investment in subsidiary undertaking	10	1	150,264
		<hr/>	<hr/>
		11,830,389	9,932,977
		<hr/>	<hr/>
CURRENT ASSETS			
Debtors due within one year		391,382	178,369
Cash at bank and in hand		300,841	98,229
		<hr/>	<hr/>
		692,223	276,598
CREDITORS: Amounts falling due within one year		(37,210)	(33,363)
		<hr/>	<hr/>
NET CURRENT ASSETS		655,013	243,235
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		12,485,402	10,176,212
Provision for liabilities	11	(732,141)	(501,309)
		<hr/>	<hr/>
NET ASSETS		11,753,261	9,674,903
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital		8,110	8,110
Profit and loss account	12	11,745,151	9,666,793
		<hr/>	<hr/>
SHAREHOLDERS' FUNDS		11,753,261	9,674,903
		<hr/>	<hr/>

The financial statements have been prepared in accordance with provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 2nd August 2017 by:



Colin Strathearn Ropner Stroyan
Director

The notes on pages 9 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

1. ACCOUNTING POLICIES

1.1 General information

These financial statements are presented in Pounds Sterling (GBP), as that is the currency in which (the majority of) the company's transactions are denominated. They comprise the financial statements of the company drawn up for the year ended 31st March 2017.

The continuing activity of Teniwood Securities Limited ("the company") is holding investment securities both in the UK and overseas.

The company is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales. Details of the registered office can be found on the company information page of these statements. The company's registered number is 1054920.

1.2 Statement of compliance

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with applicable law and United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Small Entities).

The preparation of financial statements in compliance with Section 1A 'Small Entities' of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 1.3).

1.3 Significant judgements and estimates

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within a financial year are addressed as follows:

The fair value of investments that are not traded in an active market (e.g. unquoted investments) is determined by using valuation techniques. Management uses its judgement to select a variety of methods and made assumptions that are mainly based on market conditions existing at the end of each reporting period.

1.4 Going concern

The directors consider the company is a going concern given the significant value of fixed asset investments which can be liquidated at short notice.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

1. ACCOUNTING POLICIES (continued)

1.5 Cash flow statement

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement under FRS 102.

1.6 Turnover

Turnover consists of income from investments which is included on a receivable basis. Tax deducted at source, but not UK tax credits, on investment income is shown as part of investment income for the year and expensed as appropriate in the taxation charge for the year.

Interest on cash deposits is accrued to the end of the financial year.

1.7 Tangible assets

Tangible assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is de-recognised. Repairs and maintenance are charged to profit and loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range as follows:

Depreciation is provided on the following basis:

Fixtures and fittings	10%
Electronic equipment and software	33%

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the statement of comprehensive income.

1.8 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017**

1. ACCOUNTING POLICIES (continued)

1.9 Fixed asset investments

Investments in listed and quoted unlisted entities have been classified as fixed asset investments, as the company intends to hold them on a continuing basis, are re-measured to market value at each Balance sheet date. Gains and losses on re-measurement are recognised in the Statement of Comprehensive Income for the period.

Investments in unquoted companies shares have been classified as fixed asset investments, as the company intends to hold them on a continuing basis, are re-measured to an estimated market value by the directors on the basis of the most recent financial information available at each Balance Sheet date. Gains and losses on re-measurement are recognised in the Statement of Comprehensive Income for the period.

Investments in subsidiaries are measured at cost less accumulated impairment.

1.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares and similar instruments.

Debt instruments are payable or receivable within one year, typically trade payables or receivables are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.11 VAT

The company is not registered for VAT; as a result VAT is accounted for in the financial statements with the related expense.

1.12 Foreign currency translation

The company's functional currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

Foreign currency monetary items are translated using year end rates. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

1. ACCOUNTING POLICIES (continued)

1.12 Foreign currency translation (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

1.13 Financial liabilities and equity

Financial liabilities and equity are classified in accordance with the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

1.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in either comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

2. ANALYSIS OF TURNOVER

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Income from listed investments	317,992	306,329
Income from unlisted investments	10,971	5,393
Investment interest receivable	193	1,272
Other operating income	8,312	8,000
Profit on exchange	26,551	1,132
	<hr/>	<hr/>
	364,019	322,126
	<hr/>	<hr/>
Turnover arising within the United Kingdom	167,826	146,964
Turnover arising from outside the United Kingdom	196,193	175,162
	<hr/>	<hr/>
	364,019	322,126
	<hr/>	<hr/>

3. EMPLOYEES

Staff costs including directors' remuneration were as follows:

	2017 £	2016 £
Wages and salaries	108,660	111,110
Social security costs	9,717	9,495
	<hr/>	<hr/>
	118,377	120,605
	<hr/>	<hr/>

The average monthly number of employees, including directors, during the year was as follows:

	2017 No.	2016 No.
Office and management	5	6
	<hr/>	<hr/>

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

4. DIRECTORS' REMUNERATION

	2017 £	2016 £
Directors' emoluments:	53,599	57,421

During the year there were no pension benefits accruing to the directors (2016: £nil).

5. OPERATING PROFIT

	2017 £	2016 £
The operating profit is stated after charging: Auditor's remuneration	10,038	9,840

6. PROFIT ON FIXED ASSET INVESTMENTS

	2017 £	2016 £
Net profit/(loss) on sale of listed and unlisted investments	160,614	(1,265)
Decrease/(increase) in provision against inter-company debt	22,336	(8,000)
	182,950	(9,265)
Income from fixed asset investments	328,963	311,722

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017**7. TAXATION**

	2017	2016
	£	£
Analysis of tax (credit)/charge for the period		
Current tax		
UK Corporation tax at 20% (2016 - 20%)	-	-
Inter-company tax	(8,503)	-
Adjustments in respect of prior periods	(31,504)	-
Foreign tax	28,867	25,388
	<hr/>	<hr/>
Total current tax (credit)/charge	(11,140)	25,388
Deferred tax		
Origination and reversal of timing differences	306,049	(68,951)
Adjustments in respect of prior years	(25)	-
Effect of tax rate change on opening balance	(75,192)	-
	<hr/>	<hr/>
Tax on profit/(loss) on ordinary activities	219,692	(43,563)
	<hr/>	<hr/>
Provision for deferred tax		
Accelerated capital allowances	(199)	143
Tax losses carried forward and other deductions (excess management charges)	(62,389)	(73,373)
Capital gains	794,729	574,539
	<hr/>	<hr/>
Total deferred tax liability	732,141	501,309
	<hr/>	<hr/>
Movement in provision:		
Provision at start of period	501,309	570,260
Deferred tax charged in the Statement of Comprehensive Income for the period	230,832	(68,951)
	<hr/>	<hr/>
Provision at end of period	732,141	501,309
	<hr/>	<hr/>

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017**7. TAXATION - (continued)****Reconciliation of tax charge**

	2017	2016
	£	£
Profit/(loss) on ordinary activities before tax	2,398,054	(154,294)
Tax on profit/(loss) on ordinary activities at standard corporation tax rate of 20% (2016 - 20%)	479,611	(30,859)
Effects of:		
Expenses not deductible for tax purposes	156	51,679
Income not taxable for tax purposes	(450,216)	-
Exempt dividend income	(59,982)	(59,031)
Chargeable gains/(losses)	381,987	(29,786)
Foreign tax credits	28,867	25,388
Adjustments to tax charge in respect of previous periods	(31,504)	-
Adjust closing deferred tax to average rate of 20% (20%)	(129,202)	-
Adjust opening deferred tax to average rate of 20 % (20%)	-	-
Deferred tax not recognised	(25)	(954)
	<hr/>	<hr/>
Tax charge/(credit) for the period	219,692	(43,563)
	<hr/>	<hr/>

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Electronic equipment and software £	Total £
Cost			
At 1 st April 2016	5,103	20,115	25,218
Additions	-	-	-
Disposals	-	-	-
At 31 st March 2017	5,103	20,115	25,218
Depreciation			
At 1 st April 2016	4,229	15,074	19,303
Charge for the year	198	2,627	2,825
Depreciation on disposals	-	-	-
At 31 st March 2017	4,427	17,701	22,128
Net book value			
At 31 st March 2017	676	2,414	3,090
At 31 st March 2016	874	5,041	5,915

9. FIXED ASSET INVESTMENTS

	Listed Investments £	Unlisted Investments £	Total £
Cost or valuation			
At 1 st April 2016	8,624,125	1,152,673	9,776,798
Additions	982,251	53,291	1,035,542
Revaluation	1,888,936	179,194	2,068,130
Disposals - proceeds	(1,213,786)	-	(1,213,786)
Disposals – gains on sale	160,614	-	160,614
At 31 st March 2017	10,442,140	1,385,158	11,827,298
At 31 st March 2016	8,624,125	1,152,673	9,776,798

TENIWOOD SECURITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2017

9. FIXED ASSET INVESTMENTS (continued)

Investments representing more than 20% of the issued equity capital are held in the following companies:

	Country of registration	Description of shares/stock	Percentage held	Principal activity
Quail Estates Inc.	USA	Common Preference	39% 29%	Property
Mid-Florida Land & Timber Corp.	USA	Common	28%	Land
Volusia Land & Timber Corp.	USA	Common	28%	Land

10. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	2017 £	2016 £
London Commercial and Mercantile Company Limited: 35,007 £1 ordinary shares at cost	51,264	51,264
Loan for an indeterminate period at a nil rate of interest repayable at the sole discretion of the subsidiary company	7,401	180,000
Provision against investment and loan	(58,664)	(81,000)
	<u>1</u>	<u>150,264</u>

London Commercial and Mercantile Company Limited, a wholly-owned subsidiary company incorporated in England ceased trading on 13th March 2017.

Share capital, reserves and results of the above company for the year ended 31st March 2017 were:

	Share Capital & Loan £	Reserves £	Profit for the year £
London Commercial and Mercantile Company Limited	42,408	(42,408)	22,048
	<u>42,408</u>	<u>(42,408)</u>	<u>22,048</u>

The company has advanced a loan for an indeterminate period of time at a nil rate of interest, repayable in part or in whole at the sole discretion of the subsidiary, which repaid £172,599 of the loan during the course of the year.

Under FRS 102, intercompany loans where the terms of the relationship between the company and its subsidiary resembles equity rather than debt, should be classified accordingly. The directors consider the substance of the loan agreement between the company and the subsidiary to be that of equity and have thus classified the loan as equity, rather than debt.

TENIWOOD SECURITIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017****11. PROVISIONS**

	2017	2016
	£	£
DEFERRED TAXATION		
The deferred tax liability is made up as follows:		
Balance at 1 st April	501,309	570,260
Movement in year	230,832	(68,951)
	<hr/>	<hr/>
	732,141	501,309
	<hr/>	<hr/>

12. RESERVES

	2017	2016
	£	£
Profit and loss account		
Balance at 1 st April	9,666,793	11,521,174
Total comprehensive income/(deficit) for the year	2,178,362	(110,731)
Dividends paid	(100,004)	(1,743,650)
	<hr/>	<hr/>
	11,745,151	9,666,793
	<hr/>	<hr/>

13. COMMITMENTS UNDER OPERATING LEASES

At 31st March 2017, the company had future minimum lease payments under non-cancellable operating leases as follows:

	<u>Land and Buildings</u>	
	2017	2016
	£	£
Within one year	16,000	16,000
Later than one year and not later than 5 years	8,000	24,000
Later than five years	-	-
	<hr/>	<hr/>
	24,000	40,000
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st March 2017

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 102 Section 33 from the requirement to disclose information of transactions with entities which are part of the group on the basis that the consolidated group financial statements are publically available.

15. PARENT UNDERTAKING

The immediate and ultimate parent undertaking is Iowa Land Company Limited, a company incorporated in England, (company registration number 15399). At 31st March 2017, Iowa Land Company Limited owned all the share capital of the company. Group financial statements for Iowa Land Company Limited are available to the public from Companies Registration Office, Companies House, Crown Way, Cardiff, CF14 3UZ.

16. OTHER PROFESSIONAL SERVICES PROVIDED BY THE AUDITOR

In common with many other businesses of our size and nature, the company uses its auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.