

**SPENCER HOLDINGS LIMITED**

**Report and financial statements**

**31 March 2011**

THURSDAY



A42 \*A12AZKJF\* 09/02/2012 #32  
COMPANIES HOUSE

**REPORT AND FINANCIAL STATEMENTS 2011**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2</b>
<b>Directors' responsibilities statement</b>	<b>4</b>
<b>Independent auditor's report</b>	<b>5</b>
<b>Profit and loss account</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Notes to the financial statements</b>	<b>9</b>

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

J D Spencer	(resigned 21 September 2010)
M A Johnson	(resigned 21 December 2011)
K M Spencer	(resigned 13 September 2010)
P Duckett	
A J McFarlane	(appointed 14 June 2011)

**SECRETARY**

P Duckett

**REGISTERED OFFICE**

Nexus House  
Nexus  
Randles Road  
Knowsley Business Park  
Knowsley  
Merseyside  
L34 9HX

**BANKERS**

Lloyds Banking Group  
Liverpool Corporate Centre  
5 St Paul Square  
Old Hall Street  
Liverpool  
L3 9AE

**SOLICITORS**

DLA Piper LLP  
India Buildings  
Water Street  
Liverpool  
L2 0NH

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Liverpool  
United Kingdom

## DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report, for the year ended 31 March 2011

### PRINCIPAL ACTIVITY

During the year, the company acted as an intermediate holding company engaged in dealing in and the letting of industrial and other properties. The company has properties held for resale in stock. These properties are occupied and the rental income from tenants is turnover for the company.

### BUSINESS REVIEW

As shown in the company's profit and loss account on page 7, turnover has decreased by 7% largely attributable to the reduction in the number of occupied offices in the company's properties. Operating profit has also decreased by 9% as a result of the fall in cost of sales. The decrease in cost of sales is due to a reduction in property maintenance costs.

As shown on page 8, the net liabilities position of £2.1 million at 31 March 2010 has increased during the year with the position at 31 March 2011 being £3.4 million net liabilities, attributable to the loss for the year of £1,295,063 (2010 profit £17,934).

The key performance indicators of Spencer Holdings Ltd are turnover, operating profit and liquidity. These are as follows for the year ended 31 March 2011:

	2011 £	2010 £
Turnover	1,859,602	1,990,794
Operating profit	352,664	389,551
Cash	15,966	29,737
Bank loans and overdrafts	15,044,044	14,392,479

The directors do not consider there to be any appropriate non-financial KPI's given the nature of the business.

### PRINCIPAL RISKS AND UNCERTAINTIES

The company's principal source of revenue consists of rental income from the property portfolio. The company manages this risk by diversifying its portfolio in both product range and geographical location. The company maintains sound property management systems to efficiently manage all occupied premises and effective marketing of vacant space.

The property portfolio within the Group has been financed by bank loans and is therefore open to interest rate exposure.

### SUBSEQUENT EVENTS

Following the disposal on 21 December 2011 of the entire property portfolio of the Spencer Commercial Property Limited Group, a decision has been made to wind up the remaining subsidiaries of the Spencer Commercial Property Limited Group, and for Spencer Commercial Property Limited to be put into administration. This disposal included the disposal of the full stockholding of properties within Spencer Holdings Limited for £15,664,000.

Accordingly, as a result of the decision to wind up this company, the financial statements have been prepared on a basis other than that of a going concern, as explained in Note 1 to the financial statements.

The entire issued share capital of three of the trading subsidiaries of Spencer Holdings Limited, being Spencer Office Parks Limited, Spencer Trade Counters Limited and Omega Business Park Limited, was disposed of as part of this transaction.

## DIRECTORS' REPORT

### DIRECTORS

The directors who held office during the year and thereafter except as noted below are listed below

J D Spencer	(resigned 21 September 2010)
M A Johnson	(resigned 21 December 2011)
K M Spencer B A (Hons)	(resigned 13 September 2010)
P Duckett BSc	
A J McFarlane	(appointed 14 June 2011)

### AUDITOR

Each of the persons who are directors at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has expressed its willingness to continue in office as auditor. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by order of the Board



P Duckett  
Director  
15 Feb 2012

## DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual 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 judgments and accounting 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 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 SPENCER HOLDINGS LIMITED**

We have audited the financial statements of Spencer Holdings Limited for the year ended 31 March 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, 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 auditor**

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 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 annual 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 March 2011 and of its loss 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.

### **Emphasis of matter – financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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

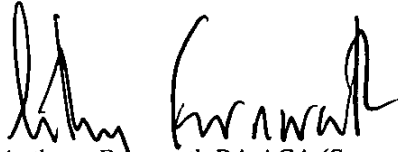
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPENCER HOLDINGS LIMITED (continued)**

### **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.



Anthony Farnworth BA ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Liverpool, United Kingdom

02/02/2012



**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 March 2011**

	Note	2011 £	2010 £
<b>TURNOVER</b>	1,2	1,859,602	1,990,794
Cost of sales		(236,465)	(286,303)
Administrative expenses		(1,270,473)	(1,314,940)
<b>OPERATING PROFIT</b>		352,664	389,551
Stock write down		(225,972)	(206,291)
Profit/(loss) on sale of fixed assets		38	(5,488)
(Loss)/profit on revaluation of investments		(19,527)	58,892
Net finance costs	3	(1,402,266)	(218,730)
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2	(1,295,063)	17,934
Tax on (loss)/profit on ordinary activities	5	-	-
<b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	13, 14	(1,295,063)	17,934

All results arise from continuing operations

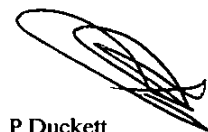
There are no recognised gains and losses in either year other than those stated in the profit and loss accounts above  
 Consequently, no separate statement of total recognised gains and losses has been presented

**SPENCER HOLDINGS LTD**

**BALANCE SHEET**  
**As at 31 March 2011**

	Notes	£	2011 £	£	2010 £
<b>FIXED ASSETS</b>					
Tangible assets	6		60,303		96,643
Investments	7		187,172		206,700
			<u>247,475</u>		<u>303,343</u>
<b>CURRENT ASSETS</b>					
Stocks	8	11,920,423		11,436,395	
Debtors	9	1,273,168		1,211,430	
Cash at bank		15,966		29,737	
		<u>13,209,557</u>		<u>12,677,562</u>	
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(16,834,180)</u>		<u>(15,062,788)</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(3,624,623)</u>		<u>(2,385,226)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(3,377,148)</u>		<u>(2,081,883)</u>
<b>CREDITORS: amounts falling due after more than one year</b>	11		<u>-</u>		<u>(202)</u>
<b>NET LIABILITIES</b>			<u>(3,377,148)</u>		<u>(2,082,085)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		50,375		50,375
Share capital redemption reserve	13		12,500		12,500
Profit and loss account	13		<u>(3,440,023)</u>		<u>(2,144,960)</u>
<b>SHAREHOLDER'S DEFICIT</b>	14		<u>(3,377,148)</u>		<u>(2,082,085)</u>

The financial statements of Spencer Holdings Limited (registered number 1204931), were approved by the Board of Directors and authorised for issue on 1<sup>st</sup> Feb 2012 and are signed on its behalf by

  
P Duckett  
Director

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 March 2011

#### 1. ACCOUNTING POLICIES

##### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards

The principal accounting policies of the company have remained unchanged from the previous year and are set out below

##### Going concern

Following the disposal on 21 December 2011 of the entire property portfolio of the Spencer Commercial Property Limited Group, a decision has been made to wind up the remaining subsidiaries of the Spencer Commercial Property Limited Group, and for Spencer Commercial Property Limited to be put into administration. This disposal included the disposal of the full stockholding of properties within Spencer Holdings Limited for £15,664,000.

Accordingly, as a result of the decision to wind up this company, the financial statements have been prepared on a basis other than that of a going concern, which includes, where appropriate, writing down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

##### Basis of consolidation and cash flows

Both the Company and the Spencer Holdings Group meet the requirements of s382 and s383 of the Companies Act 2006 to be defined as small. As a result, consolidated financial statements have not been produced as permitted under FRS 2. The company is exempt under the provisions of Financial Reporting Standard 1, "Cash Flow Statements", from publishing a separate cash flow statement due to it being a small company.

##### Turnover

Turnover is the total amount receivable by the group in the ordinary course of business for goods supplied as a principal and for services provided, excluding VAT and trade discounts.

Turnover also includes rents receivable from property and is recognised on an accruals basis.

##### Fixed asset investments

The investments in subsidiary undertakings are stated at cost.

Other investments consist of listed investments in shares and securities which are included at valuation. Valuation for listed shares and securities is established by reference to the mid-market value of stock exchange quotations. Realised and unrealised gains and losses are shown separately in the profit and loss.

##### Tangible fixed assets and depreciation

Depreciation aims to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land over their expected useful lives. The rates generally applicable are:

Motor vehicles	25% reducing balance
Fixtures and equipment	25% reducing balance
Computers	33% on cost

##### Leased assets

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 31 March 2011

#### 1. ACCOUNTING POLICIES (continued)

##### Stocks

Stocks consist of properties held for resale. Stocks are stated at the lower of cost and net realisable value.

##### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as in the financial statements that arise from the gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a discounted basis.

##### Contributions to pension schemes

A self-administered pension scheme exists for the benefit of certain directors of the company. The contributions made by the company to the scheme are charged to the profit and loss account and made on the recommendation of the actuary.

##### Government grants

Grants receivable in respect of properties held in stock for resale are credited directly to the cost of the asset, once the conditions of the grant are fully achieved. This treatment is a departure from the Companies Act 2006 which requires the asset to be shown at cost and grants as deferred income. However, the directors consider that this departure from the statutory accounting rules is necessary for the financial statements to give a true and fair view. Such properties are not depreciated and accordingly no basis exists on which to recognise the release of deferred income to the profit and loss account. The total amount of the government grants credited directly to the cost of the asset is £440,092 (2010: £440,092).

##### Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on accruals basis in the profit or loss account using the effective interest method and are added to the carrying amount of the instruments to the extent that they are not settled in the period in which they arise.

#### 2. TURNOVER AND (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and (loss)/profit before taxation were all derived from its principal activities and all arose in the United Kingdom.

The (loss)/profit on ordinary activities before taxation is stated after charging

	2011 £	2010 £
Fees payable to the company's auditor for the audit of the company's annual financial statements	15,000	10,000
Fees payable to the company's auditor for other services		
- taxation services	40,650	3,500
- corporate finance services	24,250	
Depreciation	36,037	51,061

# NOTES TO THE FINANCIAL STATEMENTS

## Year ended 31 March 2011

### 3. NET FINANCE COSTS

	2011 £	2010 £
Interest receivable	620	4
Interest payable - on bank loans and overdrafts	(281,886)	(218,734)
PIK loan charge	(1,121,000)	-
	<u>(1,402,266)</u>	<u>(218,730)</u>

### 4. DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows

	2011 £	2010 £
Wages and salaries	424,874	533,913
Social security costs	53,488	59,700
Pension costs	18,764	19,602
	<u>497,126</u>	<u>613,215</u>
Average number of employees (including directors)	<u>12</u>	<u>12</u>

Staff costs include remuneration in respect of directors, as follows

	2011 £	2010 £
Directors' remuneration	<u>307,509</u>	<u>437,189</u>

Pension costs of £10,000 (2010 £14,220) are included in the directors' remuneration

The emoluments of the highest paid director were £101,802 (2010 £103,156). Pension costs amounted to £10,000 (2010 £10,000) One director is accruing benefits under a money purchase pension scheme

### 5. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES

#### Group

The tax charge is based on the (loss)/profit for the year and comprises

	2011 £	2010 £
UK corporation tax rate at 28% (2010 28%)	-	-
Adjustment in respect of earlier years	-	-
	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
Adjustment in respect of earlier years	-	-
	<u>-</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

## Year ended 31 March 2011

### 5. TAX ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES (continued)

	2011 £	2010 £
<b>Reconciliation of tax charge:</b>		
(Loss)/profit on ordinary activities before tax	(1,295,063)	17,934
Tax on profit on ordinary activities at standard UK corporation tax rate of 28% (2010 28%)	(362,617)	5,022
Effects of		
Income not taxable	-	(16,490)
Expenses not deductible for tax purposes	7,407	65,363
Capital allowances less than depreciation	3,691	4,267
Group relief	-	(49,821)
Industrial building allowances	(4,119)	(8,341)
Losses carried forward	355,638	-
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>

Deferred tax assets totalling £1,236,429 in respect of accelerated capital allowances and tax losses were not recognised as at 31 March 2011 (2010 £972,221) as there was insufficient evidence that these assets would be recoverable in future years

There is no tax charge arising in relation to the exceptional items disclosed in the profit and loss account

### 6. TANGIBLE FIXED ASSETS

	Fixtures and equipment £	Motor vehicles £	Computers £	Total £
<b>Cost</b>				
At 1 April 2010	257,113	14,677	268,604	540,394
Disposals	(940)	-	-	(940)
At 31 March 2011	256,173	14,677	268,604	539,454
<b>Depreciation</b>				
At 1 April 2010	190,668	6,053	247,030	443,751
Charge in the year	16,551	2,671	16,815	36,037
Disposals	(637)	-	-	(637)
At 31 March 2011	206,582	8,724	263,845	479,151
<b>Net book value</b>				
31 March 2011	49,591	5,953	4,759	60,303
31 March 2010	66,445	8,624	21,574	96,643

# NOTES TO THE FINANCIAL STATEMENTS

## Year ended 31 March 2011

### 7. FIXED ASSET INVESTMENTS

	Other investments £	Subsidiary undertakings £	Total £
<b>Cost</b>			
At 1 April 2010 and 31 March 2011	547,960	303	548,263
Revaluation	(19,528)	-	(19,528)
At 31 March 2011	528,432	303	528,735
<b>Provision for impairment</b>			
At 1 April 2010 and 31 March 2011	341,563	-	341,563
<b>Net book value</b>			
31 March 2011	186,869	303	187,172
31 March 2010	206,397	303	206,700

Other investments are held at market value as at 31 March 2011

At 31 March 2011 the subsidiaries were as follows

Subsidiary	Nature of business	Class	Number of shares	% owned by ultimate parent undertaking
Spencer Office Parks Limited	Investment property	Ord £1 shares	100	100%
Spencer Trade Counters Limited	Property management	Ord £1 shares	100	100%
Spencer Commercial Developments Limited	Property management	Ord £1 shares	100	100%
Omega Business Park Limited	Investment property	Ord £1 shares	1	100%
Spencer Warehousing & Storage Limited	Property Management	Ord £1 shares	2	100%

The above companies are registered in England and Wales

The entire share holding in Spencer Office Parks Limited, Spencer Trade Counters Limited and Omega Business Park Limited have been disposed of post year end, on 21 December 2011

### 8. STOCK

	2011 £	2010 £
Properties held for resale	11,920,423	11,436,395

The full property portfolio was disposed of for £15.7 million in December 2011

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2011**

**9. DEBTORS**

	2011 £	2010 £
Trade debtors	328,332	328,958
Amount due from group undertakings	816,829	412,054
Amount due from related companies	9,881	264,257
Prepayments and accrued income	118,126	206,161
	<u>1,273,168</u>	<u>1,211,430</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2011 £	2010 £
Bank loans and overdraft	15,044,044	14,392,479
Trade creditors	160,283	145,899
Other taxes and social security costs	68,064	76,501
Accruals and deferred income	1,541,065	431,331
Directors' current accounts	557	16,578
Amounts due to subsidiary undertakings	19,328	-
Amounts due to related companies	839	-
	<u>16,834,180</u>	<u>15,062,788</u>

The loans from Lloyds Banking Group were on an interest only basis and were repayable in December 2010. The loans were subsequently extended and replaced with a new group loan facility in June 2011. Interest was payable at 0.95% over LIBOR. The loans were part of a group facility with Spencer Commercial Property Limited and were repaid in December 2011, following the disposal of the entire property portfolio of the Spencer Commercial Property Limited Group.

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2011 £	2010 £
Amounts due to subsidiary undertakings	-	202

Borrowings are repayable as follows:

	2011 £	2010 £
Within one year		
Bank loans and overdraft	<u>15,044,044</u>	<u>14,392,479</u>

**12. SHARE CAPITAL**

	2011 £	2010 £
Allotted, called up and fully paid		
50,375 (2010: 50,375) ordinary shares of £1 each	<u>50,375</u>	<u>50,375</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2011**

**13. RESERVES**

	<b>Capital redemption reserve £</b>	<b>Profit and loss £</b>	<b>Total £</b>
At 1 April 2010	12,500	(2,144,960)	(2,132,460)
Loss for the year	-	(1,295,063)	(1,295,063)
At 31 March 2011	<u>12,500</u>	<u>(3,440,023)</u>	<u>(3,427,523)</u>

**14. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S DEFICIT**

	<b>2011 £</b>	<b>2010 £</b>
(Loss)/profit for the year	(1,295,063)	17,934
Net change in shareholder's deficit	(1,295,063)	17,934
Opening shareholder's deficit	(2,082,085)	(2,100,019)
Closing shareholder's deficit	<u>(3,377,148)</u>	<u>(2,082,085)</u>

**15. RELATED PARTY TRANSACTIONS**

During the year the company had the following transactions with group and related parties

	<b>2011 £</b>	<b>2010 £</b>
Recharges to Spencer Business Parks Limited	501,405	-
Recharges to Spencer Office Parks Limited	53,405	-
Recharges to Omega Business Park Limited	10,105	-
Recharges to Spencer Trade Counters Limited	23,715	-
Recharges to Spencer Property Asset Management Limited	-	66,145
Recharges to Greenbrook Construction Limited	-	198,112
Purchases from Spencer Industrial Estates Limited	(19,226)	-
Purchases from Spencer Property Asset Management Limited	-	(57,178)
Purchases from Greenbrook Construction Limited	<u>(839)</u>	<u>-</u>

Amounts due from group undertakings in note 9 comprise.

	<b>2011 £</b>	<b>2010 £</b>
Spencer Business Parks Limited	501,405	3,879
Spencer Industrial Estates Limited	-	182,675
Spencer Office Parks Limited	53,405	-
Omega Business Park Limited	13,104	300
Spencer Trade Counters Limited	23,715	-
Spencer Commercial Property Limited	<u>225,200</u>	<u>225,200</u>
	<u>816,829</u>	<u>412,054</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year ended 31 March 2011**

**15. RELATED PARTY TRANSACTIONS (continued)**

Amounts due from related companies in note 9 comprise

	2011 £	2010 £
Greenbrook Construction Limited	-	198,112
Spencer Property Asset Management Limited	9,881	66,145
	<u>9,881</u>	<u>264,257</u>

Amounts due to subsidiary undertakings in notes 10/11 comprise

	2011 £	2010 £
Spencer Trade Counters Limited	-	100
Spencer Warehousing & Storage Limited	2	2
Spencer Industrial Estates Limited	19,226	-
Spencer Commercial Developments Limited	100	100
	<u>19,328</u>	<u>202</u>

Amounts due to related companies in note 10 comprise

	2011 £	2010 £
Greenbrook Construction Limited	<u>839</u>	<u>-</u>

**16. GROUP BORROWING FACILITY**

The company was party to the cross guarantee of the Group's debt facility. At 31 March 2011 the total debt amounted to £182,755,955 (2010 £187,954,329). The loans have since been repaid.

**17. ULTIMATE PARENT UNDERTAKING**

The directors consider that the ultimate parent undertaking and controlling party of this company is Spencer Commercial Property Limited which is registered in England and Wales.

Copies of the financial statements of Spencer Commercial Property Limited can be obtained from the company's registered office.

