

Company Registration No 01330885 (England and Wales)

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

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SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

COMPANY INFORMATION

Directors	S J Pidwill BArch,DipArch,APM, RIBA H J Bird BArch,DipArch, RIBA P N Hufton BA(Hons) Dip Arch MAPM RIBA B Pinder-Ayres A C M A
Secretary	B Pinder-Ayres A C M A
Company number	01330885
Registered office	Phoenix Yard 65 Kings Cross Road London WC1X 9LW
Auditors	Haines Watts Bromley LLP 21 East Street Bromley Kent BR1 1QE
Business address	Phoenix Yard 65 Kings Cross Road London WC1X 9LW
Bankers	National Westminster Bank plc 19 Shaftesbury Avenue London W1A 4QQ

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

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SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2013

The directors present their report and financial statements for the year ended 31 March 2013

Principal activities and review of the business

The company's principal activities during the year were those of managing and controlling the provision of architectural, planning and consultancy services

The results for the year and the financial position at the year end were considered satisfactory by the directors. The directors expect similar levels of trading in the coming year as the impact of the current global economic situation continues to have a depressing impact on the UK construction sector.

The principal risks and uncertainties facing the company flow from balancing the demand for the company's services against the necessary resources that the company has to support financially in order to meet that demand. The directors continually monitor this balance in an effort to minimise those risks and uncertainties and to maintain a strong financial and professional organisation.

The directors consider the year end position to be satisfactory.

The company maintains operating efficiency by monitoring key performance indicators on a monthly basis. These indicators are compared to the annual budget and to industry standard benchmarks and are grouped into four key areas - sales turnover, profitability, liquidity and resource efficiency.

The indicators used are turnover by director and fee earner, pre-tax profit by director and fee earner, net current asset and debtor day ratios and chargeable time utilisation by sector. During the course of the last financial year all indicators were below target in the first half of the year but, as trading conditions improved in the second half of the year the profitability and net current asset ratios ended the year above their target values.

The company is committed to sustainable development in its professional work and has been awarded ISO 14001 in recognition of that fact. The same principles are applied to the internal operation of the company and there is a staff forum that focuses on sustainability and on reducing the impact that the business has on its environment.

The company has an express policy of striving to reflect the gender and ethnicity mix of London overall in its own staff.

Results and dividends

The results for the year are set out on page 6.

Future developments

The directors intend to continue the management policies which have resulted in the company's profitable performance to-date. They expect the coming year to show a similar level of turnover whilst ensuring a profitable outcome through the implementation of cost control programmes.

Purchase of own shares

In November 2005 the company established an employee benefit trust which is administered by a separate company, limited by guarantee, Shephard Epstein & Hunter Trustees Limited. All transactions processed through the trust have been incorporated into these financial statements.

At 31 March 2013 the trust owned 79,900 ordinary £1 shares in the company (2012 83,900) which represented 19.97% (2012 20.97%) of the company's issued capital.

The Board remain committed to the principle that shareholders of the company should be working directors.

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

Directors

The following directors have held office since 1 April 2012

S J Pidwill BArch, DipArch, APM, RIBA

H J Bird BArch, DipArch, RIBA

P N Hufton BA(Hons) Dip Arch MAPM RIBA

B Pinder-Ayres A C M A

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to

- settle the terms of payment with suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts, and
- pay in accordance with the company's contractual and other legal obligations

On average, trade creditors at the year end represented 42 (2012 38) days' purchases

Auditors

In accordance with the Company's Articles, a resolution proposing that Haines Watts Bromley LLP be reappointed as auditors of the company will be put at a General Meeting

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,
- 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.

The directors' are responsible for the maintenance and integrity of the company website

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

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. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



B Pinder-Ayres A C M A

Director

14 August 2013

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

We have audited the financial statements of Shephard Epstein & Hunter Public Limited Company for the year ended 31 March 2013 set out on pages 6 to 19. 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 pages 1 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the 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 March 2013 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.

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

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

Haines Watts Bromley LLP

Jonathan Moughton (Senior Statutory Auditor)
for and on behalf of Haines Watts Bromley LLP

6 September 2013

Chartered Accountants
Statutory Auditor

21 East Street
Bromley
Kent
BR1 1QE

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2013

		Year ended 31 March 2013 £	Year ended 31 March 2012 £
	Notes		
Turnover	2	1,204,291	1,359,193
Cost of sales		(173,926)	(148,312)
Gross profit		1,030,365	1,210,881
Administrative expenses		(1,244,846)	(1,291,670)
Other operating income		422,599	371,410
Operating profit	3	208,118	290,621
Amounts written off investments	4	(18,880)	(53,800)
Interest payable and similar charges	5	(106,755)	(112,349)
Profit on ordinary activities before taxation		82,483	124,472
Tax on profit on ordinary activities	6	14,480	(32,324)
Profit for the year	15	96,963	92,148

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

There are no recognised gains and losses other than those passing through the profit and loss account

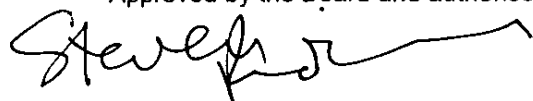
SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

BALANCE SHEET

AS AT 31 MARCH 2013

	Notes	2013 £	£	2012 £	£
Fixed assets					
Tangible assets	7 and 8	4,143,400		4,133,107	
Investments	9	512,126		537,766	
		<u>4,655,526</u>		<u>4,670,873</u>	
Current assets					
Debtors	10	451,485		571,833	
Cash at bank and in hand		447		612	
		<u>451,932</u>		<u>572,445</u>	
Creditors amounts falling due within one year	11	<u>(581,958)</u>		<u>(662,172)</u>	
Net current liabilities		<u>(130,026)</u>		<u>(89,727)</u>	
Total assets less current liabilities		4,525,500		4,581,146	
Creditors amounts falling due after more than one year	12	<u>(1,772,534)</u>		<u>(1,925,143)</u>	
		<u>2,752,966</u>		<u>2,656,003</u>	
Capital and reserves					
Called up share capital	14	400,000		400,000	
Revaluation reserve	15	1,160,431		1,160,431	
Other reserves	15	26,230		26,230	
Profit and loss account	15	1,166,305		1,069,342	
Shareholders' funds	16	<u>2,752,966</u>		<u>2,656,003</u>	

Approved by the Board and authorised for issue on 14 August 2013



S J Pidwill BArch, DipArch, APM, RIBA
Director



B Pinder-Ayres A C M A
Director

Company Registration No 01330885

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Net cash inflow from operating activities	404,833	226,528
Returns on investments and servicing of finance		
Interest paid	(106,755)	(112,349)
Net cash outflow for returns on investments and servicing of finance	(106,755)	(112,349)
Taxation	(32,324)	(35,971)
Capital expenditure and financial investment		
Payments to acquire tangible assets	(32,006)	(20,329)
Payments to acquire investments	-	(589,046)
Receipts from sales of investments	6,760	13,440
Net cash outflow for capital expenditure	(25,246)	(595,935)
Net cash inflow/(outflow) before management of liquid resources and financing	240,508	(517,727)
Financing		
New long term bank loan	-	1,539,152
Other new long term loans	-	589,046
Repayment of long term bank loan	(92,656)	(1,497,913)
Repayment of other long term loans	(64,760)	(84,760)
Net cash (outflow)/inflow from financing	(157,416)	545,525
Increase in cash in the year	83,092	27,798

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2013

1	Reconciliation of operating profit to net cash inflow from operating activities	2013 £	2012 £
	Operating profit	208,118	290,621
	Depreciation of tangible assets	21,713	15,575
	Decrease in debtors	147,279	37,802
	Increase/(decrease) in creditors within one year	27,723	(117,470)
	Net cash inflow from operating activities	404,833	226,528

2	Analysis of net debt	1 April 2012 £	Cash flow £	Other non- cash changes £	31 March 2013 £
	Net cash				
	Cash at bank and in hand	612	(165)	-	447
	Bank overdrafts	(95,588)	83,257	-	(12,331)
		<u>(94,976)</u>	<u>83,092</u>	<u>-</u>	<u>(11,884)</u>
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due within one year	(182,545)	4,807	-	(177,738)
	Debts falling due after one year	(1,925,143)	152,609	-	(1,772,534)
		<u>(2,107,688)</u>	<u>157,416</u>	<u>-</u>	<u>(1,950,272)</u>
	Net debt	(2,202,664)	240,508	-	(1,962,156)

3	Reconciliation of net cash flow to movement in net debt	2013 £	2012 £
	Increase in cash in the year	83,092	27,798
	Cash outflow/(inflow) from decrease/(increase) in debt	157,416	(545,525)
	Movement in net debt in the year	240,508	(517,727)
	Opening net debt	(2,202,664)	(1,684,937)
	Closing net debt	(1,962,156)	(2,202,664)

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

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), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts

1.4 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Other tangible fixed assets other than freehold land 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

Land and buildings Freehold	0% straight line
Plant and machinery	33% straight line

Investment properties are included in the balance sheet at their open market value

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, 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 only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

No depreciation is provided in respect of freehold land or buildings. The directors consider that any depreciation charge would be immaterial given that the estimated length of the property's remaining useful life and its residual value at the end of that life is not materially different from the value earned in these financial statements. This policy is supported by annual impairment reviews and regular valuations.

1.5 Leasing

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

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.7 Revenue recognition

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of the work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount are included in creditors. Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

1 Accounting policies (continued)

1.8 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

1.9 Pensions

The pension costs charged in the financial statements represent contributions payable by the company during the year in accordance with FRS 17.

1.10 Employee Benefit Trust

All transactions processed through the trust have been incorporated into these financial statements.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2013 £	2012 £
Operating profit is stated after charging		
Depreciation of tangible assets	21,713	15,575
Operating lease rentals		
- Plant and machinery	3,761	4,997
- Other assets	3,960	3,470
	<u> </u>	<u> </u>

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts

Other services relating to taxation

All other services

11,800	12,550
400	400
1,270	2,000
<u>13,470</u>	<u>14,950</u>

4 Amounts written off investments

2013 £	2012 £
18,880	53,800
<u> </u>	<u> </u>

Loss on sale of fixed asset investments

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

5	Interest payable	2013 £	2012 £
	On bank loans and overdrafts	106,755	112,349
6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U K corporation tax	12,451	32,324
	Adjustment for prior years	(26,931)	-
	Total current tax	(14,480)	32,324
	Factors affecting the tax charge for the period		
	Profit on ordinary activities before taxation	82,483	124,472
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20 00% (2012 - 20 00%)	16,497	24,894
	Effects of		
	Non deductible expenses	3,826	10,858
	Depreciation add back	4,343	3,115
	Capital allowances	(16,420)	(7,177)
	Adjustments to previous periods	(26,931)	-
	Other tax adjustments	4,205	634
		(30,977)	7,430
	Current tax charge for the period	(14,480)	32,324

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

7 Tangible fixed assets

	Land and buildings Freehold £	Plant and machinery £	Total £
Cost or valuation			
At 1 April 2012	3,011,884	33,132	3,045,016
Additions	-	32,006	32,006
Disposals	-	(12,231)	(12,231)
At 31 March 2013	3,011,884	52,907	3,064,791
Depreciation			
At 1 April 2012	146,884	15,025	161,909
On disposals	-	(12,231)	(12,231)
Charge for the year	-	21,713	21,713
At 31 March 2013	146,884	24,507	171,391
Net book value			
At 31 March 2013	2,865,000	28,400	2,893,400
At 31 March 2012	2,865,000	18,107	2,883,107

The freehold land and building was valued at £2,865,000, on an open market basis, on 15 April 2011 by Lamberts Chartered Surveyors of 387 City Road, London, EC1V 1NA a firm of independent Chartered Surveyors

If this property was sold for its revalued amount it would be necessary to replace it with a similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

8 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 April 2012 & at 31 March 2013	1,250,000
Net book value	
At 31 March 2013	1,250,000
At 31 March 2012	1,250,000

The carrying value of the investment property in these financial statements is based on a valuation undertaken on 15 April 2011 by Lamberts Chartered Surveyors, an independent firm of Chartered Surveyors of 387 City Road, London, EC1V 1NA. This valuation has been incorporated into these financial statements.

9 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2012	537,766
Disposals	(25,640)
At 31 March 2013	512,126
Net book value	
At 31 March 2013	512,126
At 31 March 2012	537,766

At 31 March 2013 the employee benefit trust held 79,900 (2012 83,900) ordinary £1 shares in this company.

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

10 Debtors	2013	2012
	£	£
Trade debtors	227,245	386,695
Amounts recoverable on long term contracts	123,172	105,872
Corporation tax	26,931	-
Other debtors	9,243	11,127
Prepayments and accrued income	64,894	68,139
	<u>451,485</u>	<u>571,833</u>

11 Creditors amounts falling due within one year	2013	2012
	£	£
Bank loans and overdrafts	114,569	200,133
Trade creditors	99,391	131,468
Corporation tax	12,451	32,324
Other taxes and social security costs	66,748	82,106
Other creditors	75,500	78,000
Accruals and deferred income	213,299	138,141
	<u>581,958</u>	<u>662,172</u>

Bank loans and overdrafts are secured by a first legal mortgage over the company's freehold properties and by a fixed and floating charge over the company's other assets in favour of National Westminster Bank Plc

The overdraft facility incurs interest at a rate of 1.75% over the base rate of National Westminster Bank Plc and the bank loans incur interest at rates of 1.50% and 1.40% over the bank's base and libor rates respectively

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

12 Creditors amounts falling due after more than one year	2013 £	2012 £
Bank loans	1,394,988	1,485,337
Other loans	377,546	439,806
	<u>1,772,534</u>	<u>1,925,143</u>
Analysis of loans		
Not wholly repayable within five years by instalments		
Bank loans	1,123,369	1,188,330
Other loan	65,546	121,046
Wholly repayable within five years	761,357	798,312
	<u>1,950,272</u>	<u>2,107,688</u>
Included in current liabilities	(177,738)	(182,545)
	<u>1,772,534</u>	<u>1,925,143</u>
Instalments not due within five years	<u>1,188,915</u>	<u>1,309,376</u>
Loan maturity analysis		
In more than one year but not more than two years	160,619	182,545
In more than two years but not more than five years	423,000	433,222
In more than five years	<u>1,188,915</u>	<u>1,309,376</u>

Bank loans are secured by a first legal mortgage over the company's freehold properties and by a fixed and floating charge over the company's other assets in favour of National Westminster Bank Plc

The bank loans incur interest at rates of 1.50% and 1.40% over the bank's base and libor rates respectively

13 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.

	2013 £	2012 £
Contributions payable by the company for the year	<u>28,462</u>	<u>30,421</u>

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

14 Share capital	2013 £	2012 £
Allotted, called up and fully paid		
400,000 Ordinary shares of £1 each	400,000	400,000

The company's Employee Benefit Trust has acquired 195,900 ordinary £1 shares in the company in the period from November 2005 to 31 March 2013

Options have been granted on 64,000 of those shares at a price of 84 pence per share and they have to be exercised by December 2015 To date, options on 64,000 shares have been exercised and the shares allotted to directors of this company

In addition to the share options already granted, 52,000 shares have been sold by the trust to directors of this company

At 31 March 2013 the Employee Benefit Trust held 79,900 (2012 83,900) Ordinary £1 shares which represented 19.97% (2012 20.97%) of the company's issued share capital

15 Statement of movements on reserves

	Revaluation reserve £	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2012	1,160,431	26,230	1,069,342
Profit for the period	-	-	96,963
Balance at 31 March 2013	1,160,431	26,230	1,166,305

16 Reconciliation of movements in shareholders' funds

	2013 £	2012 £
Profit for the financial year	96,963	92,148
Opening shareholders' funds	2,656,003	2,563,855
Closing shareholders' funds	2,752,966	2,656,003

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

17 Contingent liabilities

The company has a mortgage debenture granted to National Westminster Bank Plc comprising a fixed and floating charge over all company assets in respect of all bank borrowings

At 31 March 2013 net bank borrowings totalled £1,509,110 (2012 £1,691,618)

In terms of an agreement dated 4 February 2011, the company acts as guarantor to Mr Alain Head in respect of his shareholding of 91,900 ordinary £1 shares sold to Shepherd Epstein & Hunter Trustees Limited on 6 April 2011. The value placed on this guarantee at 31 March 2013 is £453,046 (2012 £511,046)

18 Financial commitments

At 31 March 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2014

	Other 2013 £	2012 £
Operating leases which expire Between two and five years	5,000	5,000

19 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	181,354	148,837
Company pension contributions to defined contribution schemes	19,948	20,807
	<u>201,302</u>	<u>169,644</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2012 - 3)

SHEPHEARD EPSTEIN & HUNTER PUBLIC LIMITED COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2013

20 Employees

Number of employees

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

	2013 Number	2012 Number
Administration	4	4
Architects	14	19
	<u>18</u>	<u>23</u>

Employment costs

	2013 £	2012 £
Wages and salaries	610,323	661,713
Social security costs	54,441	71,276
Other pension costs	28,462	30,421
	<u>693,226</u>	<u>763,410</u>

21 Control

The company is controlled by its shareholders. There is no single controlling party of the company.

22 Related party relationships and transactions

All transactions with Shepherd Epstein & Hunter Trustees Limited are incorporated into these financial statements. Detailed information thereon has been disclosed in notes to these financial statements.