Wightman Limited

Financial statements

For the year ended 30 April 2006

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COMPANIES HOUSE 11/10/2006

Company No. 02201027

Company information

Company registration number	02201027
Registered office	Lanelay Road Talbot Green Pontyclun CF72 8XX
Directors	W J Capper MA J M Capper
Secretary	S Munro-Morris ACA
Bankers	The Royal Bank of Scotland P O Box 333 Silbury House 300 Silbury Boulevard Milton Keynes MK9 2ZF
Solicitors	Everett Tomlin Lloyd & Pratt 28 Stow Hill Newport NP20 1TL Geldards LLP Dumfries House Dumfries Place Cardiff CF1 1YF
Auditors	Grant Thornton UK LLP Chartered Accountants Registered Auditors 11-13 Penhill Road CARDIFF CF11 9UP

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 30 April 2006.

Principal activities and business review

The company's principal activity is the leasing of commercial property.

There was a profit for the year after taxation amounting to £160,092 (2005:£83,230).

Directors

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

W J Capper MA
J M Capper

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

Financial risk management objectives and policies

The company uses financial instruments, comprising, borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations. The main risks arising from the company financial instruments are interest rate risk and liquidity risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The company finances its operations through a mixture of retained profits, inter-company accounts and bank borrowings. The company's exposure to interest rate fluctuations on its borrowings is managed on a group basis by the use of both fixed and floating facilities, and financial instruments such as interest rate caps and collars.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Primarily this is achieved through inter-company accounts or through loans arranged at group level. The company policy throughout the year has been to ensure continuity of funding so that all of its borrowings should mature in more than five years. Short term flexibility is achieved by overdraft facilities.

Report of the directors

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

United Kingdom company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- prepare the *financial statements on the going concern* basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

there is no relevant audit information of which the company's auditors are unaware; and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

BY ORDER OF THE BOARD

S Munro-Morris ACA 3 August 2006
Secretary

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WIGHTMAN LIMITED

We have audited the financial statements of Wightman Limited for the year ended 30 April 2006 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, whether they are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF WIGHTMAN LIMITED (CONTINUED)

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2006 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements for the year ended 30 April 2006.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

Cardiff

9 - AUG 2006

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The director has taken advantage of the exemption in FRS 1 'Cash Flow Statement' (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards:

FRS 21 '*Events after the Balance Sheet Date* (IAS 10)'

The adoption of FRS 21 'Events after the Balance Sheet Date' has resulted in a change in accounting policy in respect of proposed equity dividends. If the company declares dividends to holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

The adoption of FRS 21 has had no material effect on the company, hence comparative figures have not been restated.

The presentation requirements of FRS 25 'Financial Instruments: Disclosure and Presentation (IAS 32)'

The above accounting standard has become mandatory for companies for accounting periods beginning on or after 1 January 2005. Its adoption has had no material effect on the company, hence comparative figures have not been restated

Turnover

The turnover shown in the profit and loss account represents rents receivable excluding value added tax.

Fixed assets

All fixed assets are initially recorded at cost.

Principal accounting policies

Depreciation

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold Property	-	50 years straight line

Financial Instruments

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

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

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

Profit and loss account

	Note	2006 £	2005 £
Turnover	1	**221,000**	225,250
Other operating charges	2	**41,908**	41,787
Operating profit	3	**179,092**	183,463
Interest payable		-	59,797
Profit on ordinary activities before taxation		**179,092**	123,666
Tax on profit on ordinary activities	4	**19,000**	40,436
Retained profit for the financial year	12	**160,092**	83,230

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2006 £	2005 £
Fixed assets			
Tangible assets	5	**1,677,115**	1,718,902
Current assets			
Debtors	6	**584,713**	618,966
Creditors: amounts falling due within one year	7	**(27,928)**	(50,630)
Net current assets		**556,785**	568,336
Total assets less current liabilities		**2,233,900**	2,287,238
Creditors: amounts falling due after more than one year	8	**1,131,225**	1,344,655
		1,102,675	942,583
Capital and reserves			
Called-up equity share capital	11	**100**	100
Profit and loss account	12	**1,102,575**	942,483
Shareholders' funds		**1,102,675**	942,583

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved by the directors on 3-8-2006 and are signed on their behalf by:

W J Capper

W J Capper MA

Notes to the financial statements

1 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

2 Other operating income and charges

	2006	2005
	£	£
Administrative expenses	**41,908**	41,787

3 Operating profit

Operating profit is stated after charging:

	2006	2005
	£	£
Depreciation of owned fixed assets	**41,787**	41,787

4 Taxation on ordinary activities

(a) Analysis of charge in the year

	2006	2005
	£	£
Current tax:		
UK Corporation tax based on the results for the year at 19% (2005 - 30%)	**19,000**	40,436
Total current tax	**19,000**	40,436

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19% (2005 - 30%).

	2006	2005
	£	£
Profit on ordinary activities before taxation	**179,092**	123,666
Profit on ordinary activities by rate of tax of 19% (2005 : 30%)	**34,027**	37,100
Expenses not deducted for tax purposes	**23**	12,536
Marginal Relief	-	(9,200)
Non qualifying depreciation	**7,940**	-
Group relief received	**(22,990)**	-
Total current tax (note 4(a))	**19,000**	40,436

Notes to the financial statements

5 Tangible fixed assets

	Freehold Property £
Cost	
At 1 May 2005 and 30 April 2006	1,975,731
Depreciation	
At 1 May 2005	256,829
Charge for the year	41,787
At 30 April 2006	298,616
Net book value	
At 30 April 2006	**1,677,115**
At 30 April 2005	1,718,902

6 Debtors

	2006 £	2005 £
Amounts owed by group undertakings	**584,713**	618,966

Amounts owed by group undertakings of £584,713 (2005: £618,966) fall due after more than one year.

7 Creditors: amounts falling due within one year

	2006 £	2005 £
Corporation tax	**19,000**	40,436
Other creditors	**8,928**	10,194
	27,928	50,630

8 Creditors: amounts falling due after more than one year

	2006 £	2005 £
Amounts owed to group undertakings	**1,131,225**	1,344,655

9 Contingent liabilities

The company has guaranteed the bank borrowings from The Royal Bank of Scotland Plc of the parent company which has at 30 April 2006 amounted to a net indebtedness of £14,946,000 (2005: £15,142,000). This is secured by a fixed and floating charge over the assets of the company in favour of The Royal Bank of Scotland Plc.

Notes to the financial statements

10 Related party transactions

The company has taken advantage of the exemption conferred by paragraph 17 of FRS8 "Related Party Disclosures" and has not disclosed transactions with other group companies.

11 Share capital

Authorised share capital:

	2006	2005
	£	£
1,000 Ordinary shares of £1 each	**1,000**	1,000

Allotted and called up:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	**100**	**100**	100	100

12 Profit and loss account

	2006	2005
	£	£
Balance brought forward	**942,483**	859,253
Retained profit for the financial year	**160,092**	83,230
Balance carried forward	**1,102,575**	942,483

13 Ultimate parent company

The directors consider that the ultimate parent undertaking and controlling party of this company is its parent company Capper & Co. Ltd incorporated in Great Britain.