

JV LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2010

THURSDAY



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COMPANIES HOUSE

JV LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | C C Hickling P R Gratton G P Brewster I Fergusson |
| Company secretary | C S Staley |
| Company number | 04491974 |
| Registered office | 3 and 4 Regan Way Chetwynd Business Park Chilwell Nottingham NG9 6RZ |
| Auditors | Cooper Parry LLP Chartered Accountants & Statutory Auditor 3 Centro Place Pride Park Derby DE24 8RF |
| Bankers | HSBC 12 Victoria Street Nottingham NG1 2FF |

JV LIMITED

CONTENTS

| | Page |
|--|---------------|
| Directors' report | 1 - 2 |
| Independent auditors' report | 3 - 4 |
| Profit and loss account | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 - 11 |

JV LIMITED

DIRECTORS' REPORT for the year ended 31 March 2010

The directors present their report and the financial statements for the year ended 31 March 2010

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 judgments 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 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.

Principal activity

The principal activity of the business during the year was the supply of valuation services.

Business review

The company specialises in the provision of property surveys and valuations. Clearly, the current period of economic uncertainty has had a significant effect on the UK mortgage market with gross lending less than half the previous year across the industry. We are pleased that in this context turnover for the year has only reduced by 12% and that the company remains profitable. That said we are now experiencing a higher level of speculative Professional Indemnity claims as lenders look to recover losses from non performing mortgages granted before the "credit crunch". The activities of "no win no fee" lawyers in our sector has also increased and as a result we, along with the rest of our industry, have had to significantly increase resources focused on rebuking these claims. As a result we have proactively chosen to cease operating in some of the higher risk sectors of the surveying industry and we continue to monitor this activity closely.

Directors

The directors who served during the year are noted on the company information page.

JV LIMITED

**DIRECTORS' REPORT
for the year ended 31 March 2010**

Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 4 November 2010 and signed on its behalf



C S Staley
Secretary

JV LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JV LIMITED

We have audited the financial statements of JV Limited for the year ended 31 March 2010, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller 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 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 Statement of directors' responsibilities, 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 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.

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 2010 and of its profit for the year then ended,

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters 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.

JV LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JV LIMITED

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 prepare the financial statements and the Directors' report in accordance with the small companies regime



Andrew Honarmand (Senior statutory auditor)

for and on behalf of
Cooper Parry LLP

Chartered Accountants
Statutory Auditor

Derby

4 November 2010

JV LIMITED

**PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2010**

| | Note | 2010 £ | 2009 £ |
|--|------|-------------|-------------|
| Turnover | 1 | 4,867,179 | 5,517,549 |
| Cost of sales | | (2,923,764) | (3,435,681) |
| Gross profit | | 1,943,415 | 2,081,868 |
| Administrative expenses | | (1,780,908) | (1,780,348) |
| Operating profit | 2 | 162,507 | 301,520 |
| Interest receivable | | - | 135 |
| Interest payable | | (2,667) | (15,789) |
| Profit on ordinary activities before taxation | | 159,840 | 285,866 |
| Tax on profit on ordinary activities | 3 | (49,124) | (85,611) |
| Profit for the financial year | 9 | 110,716 | 200,255 |

The notes on pages 7 to 11 form part of these financial statements

JV LIMITED
Registered number. 04491974

BALANCE SHEET
as at 31 March 2010

| | Note | £ | 2010 £ | £ | 2009 £ |
|---|------|----------------|-----------------|----------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 4 | | 79,117 | | 117,984 |
| Current assets | | | | | |
| Debtors amounts falling due after more than one year | 5 | 25,748 | | 74,872 | |
| Debtors amounts falling due within one year | 5 | 461,529 | | 465,670 | |
| | | <u>487,277</u> | | <u>540,542</u> | |
| Creditors: amounts falling due within one year | 6 | (514,714) | | (717,562) | |
| Net current liabilities | | | <u>(27,437)</u> | | <u>(177,020)</u> |
| Total assets less current liabilities | | | <u>51,680</u> | | <u>(59,036)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 8 | | 200,000 | | 200,000 |
| Profit and loss account | 9 | | (148,320) | | (259,036) |
| Shareholders' funds/(deficit) | | | <u>51,680</u> | | <u>(59,036)</u> |

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 November 2010



P R Gratton
Director

The notes on pages 7 to 11 form part of these financial statements

JV LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2010

1 Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future, based on the continued support of the its fellow group undertakings, directors and the company's bankers. The directors have prepared projections for the period to 31 March 2015. These projections have been prepared using assumptions which the directors consider to be appropriate to the current financial position of the company as regards to current expected revenues and its cost base.

Whilst the directors are confident that these cashflow projections are reasonable based upon its assumptions, there can be no certainty of achieving them as a result of the unpredictable variations in the timing of the cashflows due to the nature of the company's business and the rapidly changing market.

The directors therefore consider it appropriate to continue to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that may be necessary in the event that adequate funding was not made available.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of value added tax and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | | |
|---|---|-----|------------------|
| Motor vehicles | - | 25% | reducing balance |
| Office equipment and computer equipment | - | 33% | reducing balance |

1.4 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

JV LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

2. Operating profit

The operating profit is stated after charging

| | 2010 | 2009 |
|---------------------------------------|-------------------|-------------------|
| | £ | £ |
| Depreciation of tangible fixed assets | | |
| - owned by the company | 38,867 | 134,765 |
| Auditors' remuneration | 5,000 | 5,000 |
| Operating leases | 19,117 | 20,532 |
| | <u> </u> | <u> </u> |

During the year, no director received any emoluments (2009 - £NIL)

3. Taxation

| | 2010 | 2009 |
|--|-------------------|-------------------|
| | £ | £ |
| Analysis of tax charge in the year | | |
| Current tax | | |
| Adjustments in respect of prior periods | - | 3,628 |
| | <u> </u> | <u> </u> |
| Deferred tax (see note 7) | | |
| Origination and reversal of timing differences | 49,124 | 81,983 |
| | <u> </u> | <u> </u> |
| Tax on profit on ordinary activities | <u> </u> | <u> </u> |
| | <u> </u> | <u> </u> |

Factors that may affect future tax charges

The company has taxable losses carried forward of £75,000 available to utilise against future trading profits

4 Tangible fixed assets

| | Motor vehicles £ | Office and computer equipment £ | Total £ |
|-----------------------------------|---------------------------------|--|--------------------|
| Cost | | | |
| At 1 April 2009 and 31 March 2010 | 9,513 | 596,509 | 606,022 |
| | <u> </u> | <u> </u> | <u> </u> |
| Depreciation | | | |
| At 1 April 2009 | 5,496 | 482,542 | 488,038 |
| Charge for the year | 1,008 | 37,859 | 38,867 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 March 2010 | 6,504 | 520,401 | 526,905 |
| | <u> </u> | <u> </u> | <u> </u> |
| Net book value | | | |
| At 31 March 2010 | 3,009 | 76,108 | 79,117 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 March 2009 | 4,017 | 113,967 | 117,984 |
| | <u> </u> | <u> </u> | <u> </u> |

JV LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

4. Tangible fixed assets (continued)

During the year the directors have revised the depreciation policy for office equipment and computer equipment from 33% straight line to 33% reducing balance. In the directors opinion this has resulted in a more appropriate method of writing off office equipment and computer equipment resulting in a fairer presentation of the results and of the financial position. The effect of this change in accounting estimate on the current year has been an increase in profit of £86,608

5. Debtors

| | 2010 | 2009 |
|-------------------------------------|----------------|----------------|
| | £ | £ |
| Due after more than one year | | |
| Deferred tax asset (see note 7) | 25,748 | 74,872 |
| | <u>25,748</u> | <u>74,872</u> |
| Due within one year | | |
| Trade debtors | 204,961 | 297,420 |
| Amounts owed by group undertakings | 215,470 | 80,253 |
| Other debtors | 41,098 | 87,997 |
| | <u>461,529</u> | <u>465,670</u> |

6. Creditors
Amounts falling due within one year

| | 2010 | 2009 |
|---------------------------------|----------------|----------------|
| | £ | £ |
| Bank overdraft | 176,531 | 228,347 |
| Trade creditors | 35,671 | 39,043 |
| Social security and other taxes | 176,230 | 267,191 |
| Other creditors | 126,282 | 182,981 |
| | <u>514,714</u> | <u>717,562</u> |

The security for the bank overdraft is disclosed within note 10

7. Deferred tax asset

| | 2010 | 2009 |
|-------------------------|---------------|---------------|
| | £ | £ |
| At beginning of year | 74,872 | 156,855 |
| Profit and loss account | (49,124) | (81,983) |
| | <u>25,748</u> | <u>74,872</u> |

JV LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2010**

7 Deferred tax asset (continued)

The deferred tax asset is made up as follows

| | 2010 | 2009 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Accelerated capital allowances | 4,737 | 93 |
| Tax losses carried forward | 21,011 | 74,779 |
| | <u>25,748</u> | <u>74,872</u> |

8 Share capital

| | 2010 | 2009 |
|---|----------------|----------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 100,000 A ordinary shares of £1 each | 100,000 | 100,000 |
| 100,000 B ordinary shares of £1 each | 100,000 | 100,000 |
| | <u>200,000</u> | <u>200,000</u> |

9 Reserves

| | Profit and loss account £ |
|---------------------|--|
| At 1 April 2009 | (259,036) |
| Profit for the year | 110,716 |
| At 31 March 2010 | <u>(148,320)</u> |

10 Contingent liabilities

The company is party to a composite company limited multilateral guarantee in respect of the bank facilities with Shepherd Direct Limited, Direct Valuations Limited and Moneyquest Mortgage Brokers Limited. At 31 March 2010 the liability was £1,041,507 (2009 £680,811)

The directors take advice as to the likelihood of success and claims and actions against the company and no provision is made where the directors consider, based on that advice, that the action is unlikely to succeed

JV LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2010

11 Operating lease commitments

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

| | Other assets 2010 £ | Other assets 2009 £ |
|-----------------------|---------------------------|---------------------------|
| Expiry date | | |
| Within 1 year | 4,941 | 7,007 |
| Between 2 and 5 years | 12,838 | 5,190 |
| Total | 17,779 | 12,197 |

12. Related party transactions

Advantage has been taken of the exemption provided by the Financial Reporting Standard for Smaller Entities (effective April 2008) not to disclose transactions with fellow group companies as consolidated financial statements are prepared for the group and are publicly available

The J & E Shepherd partnership is related to the company as it has partners who have an interest in J & E Nominees Limited, a major shareholder in Shepherd Direct Limited the company's ultimate parent company. During the year the company purchased services totalling £369,625 (2009 £254,497) from the J & E Shepherd partnership. At the year end £5,288 (2009 £42,809) was owed to the J & E Shepherd partnership. J & E Shepherd partnership also owed the company £2,899 (2009 £Nil) at the year end.

The company made recharges of £2,334 (2009 £6,780) to X-Bond Limited, a company in which P R Gratton and C C Hickling are both directors and shareholders. At the year end the company was owed £Nil (2009 £479) by X-Bond Limited in respect of these recharges. In addition the company purchased services totalling £863 (2009 £9,638) from X-Bond Limited during the year.

In addition the company made management charges and other recharges of £3,951 (2009 £1,868) to Gasbox Limited, a company in which P R Gratton was a director. At the year end £1,139 (2009 £39) was owed to the company. The company also made purchases of £Nil (2009 £464) during the year.

13 Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Direct Valuations Limited which is in turn wholly owned by the ultimate parent undertaking Shepherd Direct Limited. The largest and smallest group in which the results of the company are consolidated is that headed by Shepherd Direct Limited. Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

In the opinion of the directors of Shepherd Direct Limited there is no ultimate controlling party.