

**ANCHOR TENANTS LIMITED**  
**FINANCIAL ACCOUNTS**  
**For the Year Ended 31 January 2006**

**GODKIN & CO LTD**  
**LOUGHBOROUGH**  
**LEICESTERSHIRE**

**ANCHOR TENANTS LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2006**

	<b>2006</b>		<b>2005</b>	
	£	£	£	£
<b>INCOME :</b>				
Rents receivable - houses and garages		174,276		166,970
Rent of hall		5,000		4,167
Key deposits		21		34
Cancellation of shares		-		622
Wayleave		50		50
Interest received		1,330		847
House clearance charges		-		175
Inland Revenue bonus re P35 online filing		250		-
		<u>180,927</u>		<u>172,865</u>
<b>EXPENSES :</b>				
<b>Management Expenses</b>				
Salaries	37,404		39,562	
National Insurance	2,902		3,288	
Staff pension scheme	-		240	
Committee fees	316		366	
Printing, postage and stationery	1,515		1,656	
Telephone and internet	759		478	
Office and workshop rates	855		1,288	
Light and heat	709		633	
Van expenses	1,384		1,130	
Audit and accountancy	1,110		1,372	
Professional fees	1,459		1,466	
FSA fee	150		130	
Donations	50		300	
Sundry expenses	872		1,175	
Bank charges	767		760	
		<u>50,252</u>		<u>53,844</u>
<b>Estate Expenses</b>				
Repairs - Painting	18,990		15,240	
- Building	7,732		3,952	
- Windows and doors	21,262		51,291	
- Electrical	17,198		8,156	
- Plumbing and gas testing	23,051		17,715	
- Materials	5,226		3,697	
Insurance	12,951		10,642	
		<u>106,410</u>		<u>110,693</u>
Depreciation		2,950		2,401
Loss on scrapped fixtures and fittings		-		134
		<u>21,315</u>		<u>5,793</u>
<b>Surplus before taxation</b>		21,315		5,793
<b>Corporation Tax</b>		3,073		-
<b>Surplus after taxation</b>		<u>18,242</u>		<u>5,793</u>
<b>Accumulated surplus at beginning of year</b>		94,060		88,267
<b>Accumulated surplus at end of year</b>		<u>112,302</u>		<u>94,060</u>

**ANCHOR TENANTS LIMITED**  
**BALANCE SHEET AS AT 31 JANUARY 2006**

	<u>Note</u>	2006		2005	
		£	£	£	£
<b>ASSETS EMPLOYED :</b>					
Fixed assets	2		67,728		69,724
<b>Current Assets :</b>					
Stocks		1,075		1,075	
Debtors and prepayments		1,926		2,554	
Balance at bank - Current account		5,596		5,000	
- Deposit account		30,207		176	
- Tracker account		41,554		50,398	
Cash in hand		1,044		719	
		<u>81,402</u>		<u>59,922</u>	
<b>Current Liabilities :</b>					
Creditors		4,284		7,126	
Tenant Bonds		8,668		7,706	
Corporation Tax		3,073		-	
Cancelled share capital		1,544		-	
		<u>17,569</u>		<u>14,832</u>	
<b>Net Current Assets</b>			<u>63,833</u>		<u>45,090</u>
			<u>131,561</u>		<u>114,814</u>
<b>FINANCED BY :</b>					
Share capital	3		19,259		20,754
Reserves			112,302		94,060
			<u>131,561</u>		<u>114,814</u>

**MRS J BENNING**                    }  
   }  
**MR I PAWSON**                    }

**MEMBERS OF COMMITTEE**

**MRS S SWANN**                    }                   **SECRETARY**

**29 March 2006**

**ANCHOR TENANTS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**(1) ACCOUNTING POLICIES**

The Society has adopted the following accounting policies, which should be read in conjunction with the financial statements as set out on pages 2 to 4.

**Basis of Accountancy**

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

**Fixed Assets and Depreciation**

Fixed assets are stated at cost, less depreciation and amounts written off. Depreciation is calculated to write off tangible fixed assets over their estimated useful lives at the following annual rates :

Estate	-	2% of cost
Plant	-	10% of cost
Office equipment	-	10% of cost
Van	-	20% of cost
Computer equipment	-	25% of cost

**Stocks**

Stocks are stated at the lower of cost and net realisable value.

**(2) FIXED ASSETS**

	<u>Estate</u>	<u>Plant</u>	<u>Office Equipment</u>	<u>Van</u>	<u>Total</u>
<b>COST</b>					
At 1 February 2005	70,150	6,887	3,088	3,300	83,404
Additions	-	-	954	-	954
Disposals	-	-	(296)	-	(296)
At 31 January 2006	<u>70,150</u>	<u>6,887</u>	<u>3,746</u>	<u>3,300</u>	<u>84,083</u>
<b>DEPRECIATION</b>					
At 1 February 2005	5,619	5,475	2,607	-	13,701
Charge for the year	1,403	511	376	660	2,950
Disposals	-	-	(296)	-	(296)
At 31 January 2006	<u>7,022</u>	<u>5,986</u>	<u>2,687</u>	<u>660</u>	<u>16,355</u>
<b>NET BOOK VALUE</b>					
At 31 January 2006	<u>63,128</u>	<u>901</u>	<u>1,059</u>	<u>2,640</u>	<u>67,728</u>
At 31 January 2005	<u>64,531</u>	<u>1,412</u>	<u>481</u>	<u>3,300</u>	<u>69,724</u>

**(3) SHARE CAPITAL**

	<b>£</b>
At 1 February 2005	20,754
Additions	400
Withdrawals	(300)
Shares cancelled	(1,594)
At 31 January 2006	<u>19,259</u>

**ANCHOR TENANTS LIMITED  
STATEMENT OF RESPONSIBILITIES OF THE  
MANAGEMENT COMMITTEE FOR THE FINANCIAL STATEMENTS**

The purpose of this statement is to distinguish the management committee's responsibilities for the financial statements from those of the auditors as stated in their report.

Legislation requires the management committee to prepare financial statements for each period which give a true and fair view of the Society's state of affairs at the end of the period and of its income and expenditure for that period. In preparing those financial statements the management committee is required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 assume that the Society will continue in business.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Acts 1965 to 1978. It is responsible for maintaining a satisfactory system of control over the Society's books of accounts, its cash holdings and its receipts and remittances and must also take adequate precautions to guard against falsification and facilitate its discovery.

**REPORT OF THE AUDITORS TO THE MEMBERS OF ANCHOR TENANTS LIMITED**

We have audited the financial statements of Anchor Tenants Limited for the period ended 31 January 2006 which comprise the Income and Expenditure Account, Balance Sheet and the related notes. These financial statements are prepared in accordance with the accounting policies set out therein.

This report is made solely to the Society's members as a body, in accordance with Section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the Management Committee & the Auditors**

As described in the Statement of the Management Committee's responsibilities, the Management Committee is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

It is our responsibility 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 and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968 and the Industrial and Provident Societies Acts 1965 to 2002. We also report to you if, in our opinion the Society has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if a satisfactory system of internal control has not been established and maintained.

**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 Management Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

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.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available for Small Entities, in that in common with many other organisations of this size and nature the Society has used our services to prepare and submit returns to the tax authorities and assist with the preparation of 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 Club's affairs at 31 January 2006 and of its income and expenditure for the period then ended; and
- have been properly prepared in accordance with the Friendly and Industrial and Provident Societies Act 1968, and the Industrial and Provident Societies Acts 1965 to 2002.

**LOUGHBOROUGH**

**29 March 2006**

**GODKIN & CO LIMITED  
Registered Auditors  
Chartered Accountants**