

**ANCHOR TENANTS LIMITED**

**FINANCIAL ACCOUNTS**

**For the year ended 31 January 2009**

**GODKIN & CO LIMITED**

**LOUGHBOROUGH**

**LEICESTERSHIRE**

**ANCHOR TENANTS LIMITED**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2009**

	<b>2009</b>		<b>2008</b>	
	£	£	£	£
<b>INCOME :</b>				
Rents receivable - houses and garages		181,431		176,218
Rent of hall		5,000		5,000
Church rent		167		-
Online filing incentive		100		150
Wayleave		50		50
Sundry receipts		8		30
Interest received		1,699		2,444
		<u>188,455</u>		<u>183,892</u>
<b>EXPENSES :</b>				
<b>Management Expenses</b>				
Salaries	49,119		46,428	
National Insurance	4,355		3,970	
Committee fees	624		418	
Printing, postage and stationery	1,492		1,536	
Telephone	702		592	
Office and workshop rates	854		1,025	
Light and heat	1,661		1,249	
Cleaning and pest control	746		668	
Van expenses	1,090		1,180	
Audit and accountancy	1,236		1,222	
Professional fees	6,892		3,140	
FSA fee	170		155	
Donations	200		286	
Bad debts	373		-	
Centenary celebrations	2,453		-	
Bank charges	780		748	
Sundry expenses	249		471	
		<u>72,996</u>		<u>63,088</u>
<b>Estate Expenses</b>				
Repairs - Painting	10,933		5,281	
- Building, roofing and skip hire	14,497		14,186	
- Plastering	6,270		8,435	
- Damp proofing	4,902		-	
- Window and door replacement	21,874		29,081	
- Central heating installation	14,214		-	
- Electrical	9,669		17,547	
- Plumbing	8,512		12,263	
- Lead pipe replacement	7,720		9,565	
- Gas testing	9,516		15,042	
Insurance	10,218		8,881	
		<u>118,325</u>		<u>120,281</u>
Depreciation		<u>1,414</u>		<u>2,761</u>
<b>Deficit before taxation</b>		(4,280)		(2,238)
<b>Corporation Tax</b>		-		-
<b>Deficit after taxation</b>		<u>(4,280)</u>		<u>(2,238)</u>
<b>Accumulated surplus at beginning of year</b>		110,841		113,079
Depreciation written back on property		9,828		-
<b>Accumulated surplus at end of year</b>		<u><u>116,389</u></u>		<u><u>110,841</u></u>

**ANCHOR TENANTS LIMITED**  
**BALANCE SHEET AS AT 31 JANUARY 2009**

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	<u>Note</u>	2009		2008	
		£	£	£	£
<b>ASSETS EMPLOYED :</b>					
Fixed assets	2		71,679		62,940
<b>Current Assets :</b>					
Stocks		1,075		1,075	
Debtors and prepayments		4,252		2,382	
Balance at bank - Current account		548		5,596	
- Deposit account		9,664		14,647	
- Tracker account		61,592		59,803	
Cash in hand		2,282		336	
		<u>79,413</u>		<u>83,839</u>	
<b>Current Liabilities :</b>					
Creditors		4,271		5,668	
Tenant Bonds		10,149		9,717	
Share Capital Reserve		1,694		1,644	
		<u>16,114</u>		<u>17,029</u>	
<b>Net Current Assets</b>			<u>63,299</u>		<u>66,810</u>
			<u>134,978</u>		<u>129,750</u>
<b>FINANCED BY :</b>					
Share capital	3		18,589		18,909
Reserves			116,389		110,841
			<u>134,978</u>		<u>129,750</u>

MRS J BENNING }  
 }  
 } MEMBERS OF COMMITTEE  
 }  
 MR I PAWSON }

MRS S SWANN } SECRETARY 11 March 2009

**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 5.

**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 :

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

**Investment properties**

Investment properties are included in the financial statements at their original cost and are not depreciated. This is in contravention of Statement of Standard Accounting Practice No. 19 which requires investment properties to be included in the balance sheet at their open market value.

The committee are of the opinion that the cost of obtaining open market values for the properties would outweigh the benefit.

**Stocks**

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

**(2) TURNOVER**

The Society's turnover represents rent receivable during the year.

**(3) FIXED ASSETS**

	<u>Estate</u>	<u>Plant</u>	<u>Office Equipment</u>	<u>Van</u>	<u>Total</u>
<b>COST</b>					
At 1 February 2008	70,150	7,095	3,747	3,300	84,292
Additions	-	-	325	-	325
Disposals	-	-	(927)	-	(927)
At 31 January 2009	<u>70,150</u>	<u>7,095</u>	<u>3,145</u>	<u>3,300</u>	<u>83,690</u>
<b>DEPRECIATION</b>					
At 1 February 2008	9,828	6,187	3,357	1,980	21,352
Charge for the year	-	375	379	660	1,414
Written back	(9,828)	-	-	-	(9,828)
On disposals	-	-	(927)	-	(927)
At 31 January 2009	<u>-</u>	<u>6,562</u>	<u>2,809</u>	<u>2,640</u>	<u>12,011</u>
<b>NET BOOK VALUE</b>					
At 31 January 2009	<u>70,150</u>	<u>533</u>	<u>336</u>	<u>660</u>	<u>71,679</u>
At 31 January 2008	<u>60,322</u>	<u>908</u>	<u>390</u>	<u>1,320</u>	<u>62,940</u>

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

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**(4) SHARE CAPITAL**

	£
At 1 February 2008	18,909
Additions	150
Withdrawals	(370)
Shares cancelled	(100)
At 31 January 2009	<u>18,589</u>

**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 2002. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANCHOR TENANTS LIMITED**

We have audited the financial statements of Anchor Tenants Limited for the year ended 31 January 2009 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.

### **Qualified opinion arising from disagreement over accounting treatment**

As disclosed in note 1 to the financial statements, investment properties are included in the financial statements at their original cost rather than current valuation which practice, in our opinion, is not in accordance with Statement of Standard Accounting Practice No. 19.

In our opinion, the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the Society's 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.

Because of the effects of the matter referred to in the preceding paragraph, in our opinion the financial statements

- do not give a true and fair view of the financial position of the Society at 31 January 2009

**LOUGHBOROUGH**

**11 March 2009**

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