

ANCHOR TENANTS LIMITED
FINANCIAL STATEMENTS
For the year ended 31 January 2010

NIXON MEE LIMITED
COALVILLE
LEICESTERSHIRE

ANCHOR TENANTS LIMITED
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2010

	<u>Note</u>	2010		2009	
		£	£	£	£
INCOME :					
Rents receivable - houses and garages			199,340		181,431
Rent of hall			5,000		5,000
Church rent			200		167
Online filing incentive			75		100
Wayleave			50		50
Key deposits			124		8
Interest received			(173)		1,699
			<u>204,616</u>		<u>188,455</u>
EXPENSES :					
Management Expenses					
Salaries		60,028		49,119	
National Insurance		5,321		4,355	
Committee fees		722		624	
Printing, postage and stationery		1,384		1,492	
Telephone		795		702	
Office and workshop rates		870		854	
Light and heat		1,915		1,661	
Cleaning and pest control		706		746	
Van expenses		1,130		1,090	
Audit and accountancy		1,234		1,236	
Professional fees		14,258		6,892	
FSA fee		180		170	
Donations		50		200	
Bad debts		278		373	
Centenary celebrations		-		2,453	
Bank charges		711		780	
Sundry expenses		314		249	
			<u>89,896</u>	<u>72,996</u>	
Estate Expenses					
Repairs - Painting		16,689		10,933	
- Building, roofing and skip hire		27,326		14,497	
- Plastering		9,935		6,270	
- Damp proofing		6,828		4,902	
- Window and door replacement		10,475		21,874	
- Central heating installation		22,124		14,214	
- Electrical		13,840		9,669	
- Plumbing		7,495		8,512	
- Lead pipe replacement		-		7,720	
- Gas testing and servicing		8,821		9,516	
Insurance		10,692		10,218	
			<u>134,225</u>	<u>118,325</u>	
Depreciation			<u>1,015</u>	<u>1,414</u>	
Deficit before taxation			(20,520)	(4,280)	
Corporation Tax	5		-	-	
Deficit after taxation			<u>(20,520)</u>	<u>(4,280)</u>	
Accumulated surplus at beginning of year			116,389	110,841	
Depreciation written back on property			-	9,828	
Accumulated surplus at end of year			<u>95,869</u>	<u>116,389</u>	

ANCHOR TENANTS LIMITED
BALANCE SHEET AS AT 31 JANUARY 2010

	<u>Note</u>	2010		2009	
		£	£	£	£
ASSETS EMPLOYED :					
Fixed assets	2		70,664		71,679
Current Assets :					
Stocks		1,075		1,075	
Debtors and prepayments		2,810		4,252	
Balance at bank - Current account		21,941		548	
- Deposit account		-		9,664	
- Tracker account		10,004		61,592	
- Nationwide account		25,001		-	
Cash in hand		2,217		2,282	
		<u>63,048</u>		<u>79,413</u>	
Current Liabilities :					
Creditors		4,467		4,271	
Tenant Bonds		13,192		10,149	
Share Capital Reserve		1,712		1,694	
		<u>19,371</u>		<u>16,114</u>	
Net Current Assets			<u>43,677</u>		<u>63,299</u>
			<u>114,341</u>		<u>134,978</u>
FINANCED BY :					
Share capital	3		18,472		18,589
Reserves			95,869		116,389
			<u>114,341</u>		<u>134,978</u>

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

MRS S SWANN } **SECRETARY** **10 March 2010**

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 1 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:

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

Investment properties

Investment properties ('the Estate') 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>
COST					
At 1 February 2009 and at 31 January 2010	<u>70,150</u>	<u>7,095</u>	<u>3,145</u>	<u>3,300</u>	<u>83,690</u>
DEPRECIATION					
At 1 February 2009	-	6,562	2,809	2,640	12,011
Charge for the year	-	252	103	660	1,015
At 31 January 2010	<u>-</u>	<u>6,814</u>	<u>2,912</u>	<u>3,300</u>	<u>13,026</u>
NET BOOK VALUE					
At 31 January 2010	<u>70,150</u>	<u>281</u>	<u>233</u>	<u>-</u>	<u>70,664</u>
At 31 January 2009	<u>70,150</u>	<u>533</u>	<u>336</u>	<u>660</u>	<u>71,679</u>

ANCHOR TENANTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

(4) SHARE CAPITAL

	£
At 1 February 2009	18,589
Additions	180
Withdrawals	(230)
Shares cancelled	(67)
At 31 January 2010	<u>18,472</u>

(5) TAXATION

Corporation tax is charged at 21% on the result for the year.

There is no liability for this year and there are excess losses of £23,967 available for offsetting against surpluses in future years.

**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 2010 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 the financial statements are not in agreement with the underlying 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 at 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 2010.