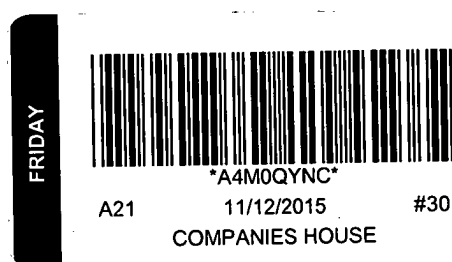


COMPANY REGISTRATION NUMBER 739106

KERNE HOLDINGS (1962) LIMITED
UNAUDITED FINANCIAL STATEMENTS
31ST MARCH 2015



CHALMERS & CO (SW) LIMITED

Chartered Accountants
Trading as Chalmers & Co
Magnolia House
Princes Street
YEOVIL
Somerset
BA20 1EP

KERNE HOLDINGS (1962) LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The director	Miss.H.F. Lawrence
Company secretary	Mrs.S.M.Weekes
Registered office	Shutteroaks, CREWKERNE Somerset
Accountants	Chalmers & Co (SW) Limited Chartered Accountants Trading as Chalmers & Co Magnolia House Princes Street YEOVIL Somerset BA20 1EP
Bankers	Lloyds Bank Plc 9 High Street YEOVIL Somerset

KERNE HOLDINGS (1962) LIMITED

DIRECTOR'S REPORT

YEAR ENDED 31ST MARCH 2015

The director presents her report and the unaudited financial statements of the company for the year ended 31st March 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year continued to be that of managing its Investment Property portfolio and other investments.

DIRECTORS

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

S.G. Lawrence

Miss.H.F. Lawrence

We regret to report the death of S.G. Lawrence on 5th November 2015.

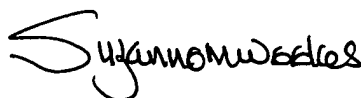
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Registered office:

Shutteroaks,
CREWKERNE
Somerset

Signed by order of the director



Mrs.S.M. Weekes
Company Secretary

Approved by the director on 30th November 2015

KERNE HOLDINGS (1962) LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31ST MARCH 2015

	Note	2015 £	2014 £
TURNOVER		18,050	351,560
Cost of sales		<u>2,583</u>	<u>324,477</u>
GROSS PROFIT		15,467	27,083
Administrative expenses		<u>23,895</u>	<u>23,317</u>
OPERATING (LOSS)/PROFIT	2	(8,428)	3,766
Profit on disposal of fixed assets		<u>42,745</u>	<u>4,863</u>
		34,317	8,629
Interest receivable		<u>40,186</u>	<u>36,819</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		74,503	45,448
Tax on profit on ordinary activities	4	<u>9,428</u>	<u>7,458</u>
PROFIT FOR THE FINANCIAL YEAR		<u>65,075</u>	<u>37,990</u>

KERNE HOLDINGS (1962) LIMITED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
YEAR ENDED 31ST MARCH 2015

	2015 £	2014 £
Profit for the financial year attributable to the shareholders	65,075	37,990
Unrealised profit on revaluation of certain fixed assets	30,000	81,500
Unrealised loss on revaluation of: Investments	<u>(211,320)</u>	<u>(44,861)</u>
Total gains and losses recognised since the last annual report	<u>(116,245)</u>	<u>74,629</u>

KERNE HOLDINGS (1962) LIMITED

BALANCE SHEET

31ST MARCH 2015

	Note	2015 £	2014 £
FIXED ASSETS			
Tangible assets	5	961,500	931,500
Investments	6	938,109	1,245,020
		<u>1,899,609</u>	<u>2,176,520</u>
CURRENT ASSETS			
Debtors	7	7,178	488,191
Cash at bank		914,877	272,250
		<u>922,055</u>	<u>760,441</u>
CREDITORS: Amounts falling due within one year	8	15,043	14,094
NET CURRENT ASSETS		<u>907,012</u>	<u>746,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,806,621</u>	<u>2,922,867</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Revaluation reserve	12	—	135,917
Other reserves	13	2,575,828	2,535,266
Profit and loss account	14	230,693	251,584
SHAREHOLDERS' FUNDS		<u>2,806,621</u>	<u>2,922,867</u>

For the year ended 31st March 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved and signed by the director and authorised for issue on 30th November 2015.

Miss.H.F. Lawrence

Company Registration Number: 739106

KERNE HOLDINGS (1962) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover consists of Income from Disposal of Development Properties and Rents from Investment Properties.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment: straight-line basis is used, over three years

Investment Properties are stated in the Balance Sheet at the Directors' estimate of Market Value in accordance with Statement of Standard Accounting Practice No.19 (SSAP19). No depreciation is provided and changes in the value of the Investment Properties are shown in the Investment Property Reserve.

On subsequent disposals only surpluses or deficits compared to the carrying value, i.e. valuation at previous accounting date, are taken to Profit and Loss Account. The profit, if any, compared to historical cost, net of any tax liability, is then transferred from Profit and Loss Account and Investment Property Reserve to Realised Capital Reserve.

This accounting treatment is not in accordance with the Companies Act 2006 which requires all fixed assets to be depreciated. In accordance with section 393 of that Act the Directors have departed from the provision concerning the depreciation of fixed assets in order to comply with SSAP 19 and to show a true and fair view.

2. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2015	2014
	£	£
Depreciation of owned fixed assets	—	184
	<u> </u>	<u> </u>

KERNE HOLDINGS (1962) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2015

3. DIRECTOR'S REMUNERATION

The director's aggregate remuneration in respect of qualifying services were:

	2015 £	2014 £
Aggregate remuneration	<u>2,917</u>	<u>2,917</u>

4. TAXATION ON ORDINARY ACTIVITIES

Analysis of charge in the year

	2015 £	2014 £
Current tax:		
UK Corporation tax based on the results for the year at 21% (2014 - 23%)	<u>9,428</u>	<u>7,458</u>
Total current tax	<u>9,428</u>	<u>7,458</u>

5. TANGIBLE ASSETS

	Freehold Property	Office Equipment	Total
	£	£	£
COST OR VALUATION			
At 1st April 2014	931,500	2,313	933,813
Revaluation	<u>30,000</u>	<u>—</u>	<u>30,000</u>
At 31st March 2015	<u>961,500</u>	<u>2,313</u>	<u>963,813</u>
DEPRECIATION			
At 1st April 2014 and 31st March 2015	<u>—</u>	<u>2,313</u>	<u>2,313</u>
NET BOOK VALUE			
At 31st March 2015	<u>961,500</u>	<u>—</u>	<u>961,500</u>
At 31st March 2014	<u>931,500</u>	<u>—</u>	<u>931,500</u>

Freehold Land and Buildings with a cost of £823,497 was revalued on the 31st March 2015 by the late S.G.Lawrence, then a Director, on the basis of net realisable value giving appropriate weight to the tenancy arrangements.

KERNE HOLDINGS (1962) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2015

6. INVESTMENTS

	Total
	£
COST OR VALUATION	
At 1st April 2014	1,245,020
Additions	290,242
Disposals	(385,833)
Revaluations	(211,320)
At 31st March 2015	<u>938,109</u>
NET BOOK VALUE	
At 31st March 2015	<u>938,109</u>
At 31st March 2014	<u>1,245,020</u>

An investment in an unquoted company registered in Bermuda, originally in the form of a promissory note, is now held in common shares. The accumulative cost carried forward is £281,266 (2014: £376,527). There is no quoted market for these shares. The director is, however, of the opinion that their realisable value as at the Balance Sheet date was £nil (2014: £325,000) and they have been revalued accordingly.

The remaining investments are quoted securities with an accumulative cost of £840,248 (2014: £840,579) and a market value at 31 March 2015 of £938,109 (2014 £920,020).

7. DEBTORS

	2015	2014
	£	£
Trade debtors	575	166,050
Other debtors	500	320,500
Prepayments and accrued income	6,103	1,641
	<u>7,178</u>	<u>488,191</u>

8. CREDITORS: Amounts falling due within one year

	2015		2014
	£	£	£
Trade creditors		8,509	7,909
Other creditors including taxation:			
Corporation tax	6,534		4,434
Directors current accounts	—		1,751
	<u>6,534</u>		<u>6,185</u>
	<u>15,043</u>		<u>14,094</u>

KERNE HOLDINGS (1962) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2015

9. DEFERRED TAXATION

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows:

	2015	2014
	£	£
Other timing differences	<u>19,000</u>	<u>12,000</u>

The unprovided deferred tax relates to liabilities that would arise in relation to unrealised surpluses on the revaluation of investment properties and the portfolio of quoted securities in the event of a notional disposal of the whole portfolio at the Balance Sheet date.

A Corporation Tax rate of 21% (2014: 21%) is assumed.

10. RELATED PARTY TRANSACTIONS

The company was under the control of the Directors throughout the current and previous year.

A freehold property purchased by the company in April 2010 at a cost of £184,293 is occupied rent-free by an employee of Linen Yard Investments (Crewkerne) Limited, a company controlled by the shareholders of Kerne Holdings (1962) Limited.

11. SHARE CAPITAL**Authorised share capital:**

	2015	2014
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2015		2014	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. REVALUATION RESERVE

	2015	2014
	£	£
Balance brought forward	135,917	99,278
Revaluation of fixed assets	(181,320)	36,639
Transfer from the Profit and Loss Account on realisation	<u>45,403</u>	<u>—</u>
Balance carried forward	<u>—</u>	<u>135,917</u>

KERNE HOLDINGS (1962) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2015

13. OTHER RESERVES

	2015 £	2014 £
Realised Capital Reserve:		
Balance brought forward	2,535,266	2,530,754
Transfer from the Profit and Loss Account	40,562	4,512
	<u>2,575,828</u>	<u>2,535,266</u>

14. PROFIT AND LOSS ACCOUNT

	2015 £	2014 £
Balance brought forward	251,584	218,106
Profit for the financial year	65,075	37,990
Transfer to revaluation reserve	(45,403)	—
Transfer to realised capital reserve	(40,563)	(4,512)
Balance carried forward	<u>230,693</u>	<u>251,584</u>