



Financial statements Davenport Developments Limited

For the Year Ended 30 November 2010

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Company No. 1115340

Company information

Company registration number	1115340
Registered office	856 Melton Road Thurmaston Leicester LE4 8BT
Directors	Mr H P Murphy Mrs M A Murphy Mr P H Murphy Mr J J Murphy Mrs W M Linnett
Secretary	Mr R H Smith FCA
Solicitors	Crane & Walton 113, 115 & 117 London Road Leicester LE2 0RG
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH

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Report of the directors

The directors present their report and the financial statements of the company for the year ended 30 November 2010

Principal activities

The principal activity of the company during the year was the holding of freehold properties for investment purposes and its income is principally derived from rents

It is the directors' intention to develop the existing activities of the company and to take advantage of opportunities to expand as they arise

Directors

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

Mr H P Murphy
Mrs M A Murphy
Mr P H Murphy
Mr J J Murphy
Mrs W M Linnett

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD



Mr R H Smith FCA
Secretary
22 March 2011



Independent auditor's report to the members of Davenport Developments Limited

We have audited the financial statements of Davenport Developments Limited for the year ended 30 November 2010 which comprise the principal accounting policies, profit and loss account, balance sheet, statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's 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 Directors' Responsibilities Statement set out on pages 3 to 4, 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 and express an opinion on 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 30 November 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

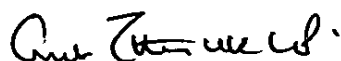
In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Davenport Developments Limited (continued)

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 report of the directors in accordance with the small companies regime



JOHN BOWLER (Senior Statutory Auditor)
For and on behalf of
GRANT THORNTON UK LLP
STATUTORY AUDITOR
CHARTERED ACCOUNTANTS

East Midlands
22 March 2011

Principal 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 applicable UK accounting standards

The principal accounting policies of the company have remained unchanged from the previous year

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Rental income

Rental income comprises rent receivable from freehold investment property

Investment properties

Investment property is included at open market value in accordance with the requirements of Statement of Standard Accounting Practice No 19 Accounting for investment properties. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve

Diminutions in value of investment property below historical cost are treated as follows

- if the fall in value is expected to be permanent then the amount is dealt with through the profit and loss account
- if the fall in the value is expected to be temporary then the amount is dealt with through the revaluation reserve

No depreciation is provided on investment property comprising freehold land and buildings and plant and equipment installed in buildings. This policy represents a departure from statutory accounting principles, which requires depreciation to be provided on all fixed assets, but is in accordance with Statement of Standard Accounting Practice No 19. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

- deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Investments

Investments are included at cost

Profit and loss account

	Note	2010 £	2009 £
Rental income	1	122,500	122,500
Other operating charges	2	1,671	1,669
Operating profit	3	120,829	120,831
Interest receivable		349	3
Profit on disposal of investments	5	—	1,106,079
Profit on ordinary activities before taxation	1	121,178	1,226,913
Tax on profit on ordinary activities	6	30,896	33,834
Profit for the financial year	14	90,282	1,193,079

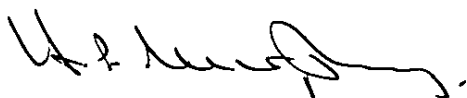
All of the activities of the company are classed as continuing

The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	£	2010 £	2009 £
Fixed assets				
Tangible assets	7		1,650,000	1,710,000
Investments	8		300,000	300,000
			<u>1,950,000</u>	<u>2,010,000</u>
Current assets investments				
Debtors	9	1,716,442		1,625,746
Creditors amounts falling due within one year	10	<u>31,725</u>		<u>31,145</u>
Net current assets			<u>1,684,717</u>	<u>1,594,601</u>
Total assets less current liabilities			<u>3,634,717</u>	<u>3,604,601</u>
Provisions for liabilities				
Deferred taxation	11		81,921	82,087
			<u>3,552,796</u>	<u>3,522,514</u>
Capital and reserves				
Called-up equity share capital	13		2,000,000	2,000,000
Revaluation reserve	14		(168,552)	(108,552)
Profit and loss account	14		1,721,348	1,631,066
Shareholders' funds	15		<u>3,552,796</u>	<u>3,522,514</u>

These financial statements were approved by the directors and authorised for issue on 22 March 2011, and are signed on their behalf by



Mr H P Murphy
Director

Company Registration Number 1115340

The accompanying accounting policies and notes form part of these financial statements.

Other primary statements

Statement of total recognised gains and losses

	2010	2009
	£	£
Profit for the financial year	90,282	1,193,079
Unrealised (loss)/profit on revaluation of freehold investment property	(60,000)	294,000
Total gains and losses recognised for the year	<u>30,282</u>	<u>1,487,079</u>

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Rental income

Rental income and profit before tax are attributable to the one principal activity of the company. Rental income arises wholly in the United Kingdom.

2 Other operating charges

	2010 £	2009 £
Administrative expenses	<u>1,671</u>	<u>1,669</u>

3 Operating profit

Operating profit is stated after charging

	2010 £	2009 £
Auditor's remuneration		
Audit fees	<u>400</u>	<u>400</u>

4 Directors and employees

The average number of persons employed by the company during the financial year, including the directors, amounted to 5 (2009 - 5).

No salaries or wages have been paid to employees, including the directors, during the year.

5 Waiver of intercompany debt

	2010 £	2009 £
Foldstyle Limited	<u>-</u>	<u>(1,106,079)</u>

Following the liquidation of the company's immediate parent company, Foldstyle Limited, during the year ended 30 November 2009 as part of a group organisation, £1,106,079 of intercompany debt owed to that company was waived and released as a credit to the profit and loss account in 2009.

6 Taxation on ordinary activities

(a) Analysis of charge in the year

	2010 £	2009 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 28% (2009 - 28%)	31,062	30,249
Total current tax	<u>31,062</u>	<u>30,249</u>
Deferred tax		
Origination and reversal of timing differences	2,868	3,585
Effect of changed tax rate from 28% to 27%	(3,034)	-
Tax on profit on ordinary activities	<u>30,896</u>	<u>33,834</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2009 - 28%)

	2010 £	2009 £
Profit on ordinary activities before taxation	<u>121,178</u>	<u>1,226,913</u>
Profit on ordinary activities by rate of tax	33,930	343,536
Capital allowances for the period in excess of depreciation	(2,868)	(3,585)
Income not taxable	-	(309,702)
Total current tax (note 6(a))	<u>31,062</u>	<u>30,249</u>

(c) Factors that may affect future tax charges

7 Tangible fixed assets

Freehold investment property

	£
Valuation	
At 1 December 2009	1,710,000
Revaluation	(60,000)
At 30 November 2010	<u>1,650,000</u>
Net book value	
At 30 November 2010	<u>1,650,000</u>
At 30 November 2009	<u>1,710,000</u>

7 Tangible fixed assets (continued)

In accordance with the provisions of Statement of Standard Accounting Practice No 19 Accounting for Investment Properties, investment property have been included in the balance sheet at open market value

Investment property is stated at directors' valuation, on the basis of open market value, having regard to a formal professional valuation, undertaken by independent professional Chartered Surveyors as at 30 November 2008 and subsequent advice received in respect of the properties in question

If the above assets had not been revalued, they would have been included on the historical cost basis at cost and net book value of £1,818,552

8 Investments

Fixed asset investments	Unlisted shares £
Cost	
At 1 December 2009 and 30 November 2010	<u>300,000</u>
Net book value	
At 30 November 2010 and 30 November 2009	<u>300,000</u>

9 Debtors

	2010 £	2009 £
Amounts owed by group undertakings	<u>1,716,442</u>	<u>1,625,746</u>

The amounts owed by group undertakings comprise an amount owed by the parent undertaking of £1,716,441 (2009 £1,625,746), being the company's memorandum balance included in the Charles Street Buildings (Leicester) Limited Group Account maintained with Barclays Bank Plc at Leicester. The memorandum account balance does not constitute a balance in account between the company and the bank.

10 Creditors: amounts falling due within one year

	2010 £	2009 £
Corporation tax	15,562	15,748
Other creditors	5,359	4,593
Accruals and deferred income	<u>10,804</u>	<u>10,804</u>
	<u>31,725</u>	<u>31,145</u>

11 Deferred taxation

The movement in the deferred taxation provision during the year was

	2010 £	2009 £
Provision brought forward	82,087	78,502
Profit and loss account movement arising during the year	(166)	3,585
Provision carried forward	<u>81,921</u>	<u>82,087</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2010 £	2009 £
Excess of taxation allowances over depreciation on fixed assets	<u>81,921</u>	<u>82,087</u>

The company has unrelieved capital losses not adjusted through the deferred tax account of £97,779 (2009 £97,779)

12 Related party transactions

As a wholly owned subsidiary of Charles Street Buildings (Leicester) Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Charles Street Buildings (Leicester) Limited

13 Share capital

Authorised share capital

	2010 £	2009 £
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>

Allotted, called up and fully paid

	2010 No	£	2009 No	£
2,000,000 Ordinary shares of £1 each	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>

14 Reserves

	Revaluation reserve £	Profit and loss account £
At 1 December 2009	(108,552)	1,631,066
Profit for the year	–	90,282
Other gains and losses		
- Revaluation of freehold investment property	(60,000)	–
At 30 November 2010	<u>(168,552)</u>	<u>1,721,348</u>

15 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	90,282	1,193,079
Other net recognised gains and losses	(60,000)	294,000
Net addition to shareholders' funds	30,282	1,487,079
Opening shareholders' funds	3,522,514	2,035,435
Closing shareholders' funds	<u>3,552,796</u>	<u>3,522,514</u>

16 Contingent liabilities

Group bank account

The company has, together with other group undertakings, given an unlimited guarantee in respect of the Charles Street Buildings (Leicester) Limited Group Account maintained with Barclays Bank Plc at Leicester. The balance of this account as per the bank statement at 30 November 2010 was £4,097,105 in hand (2009 £5,062,339 in hand)

17 Ultimate parent company/controlling related party

The ultimate parent undertaking of this company is Charles Street Buildings (Leicester) Limited, which leads the largest group of undertakings for which group accounts have been drawn up

The smallest group of undertakings including the company is that headed by Charles Street Buildings (UK) Limited

Charles Street Buildings (UK) Limited is the company's controlling related party under the definitions set out in FRS 8, by virtue of its shareholding in the company. The ultimate controlling related party of the company under the definitions set out in FRS 8 is Charles Street Buildings (Leicester) Limited