



# Financial statements Intelligent Property Group Holdings Limited

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**For the Year Ended 30 June 2010**



**Company No. 03541527**

**Intelligent Property Group Holdings Limited**  
**Financial statements for the year ended 30 June 2010**

## Company information

<b>Company registration number</b>	03541527
<b>Registered office</b>	Wellesley House 10 Eelmoor Road Farnborough Hampshire GU14 7QN
<b>Directors</b>	D I A Morrison G Morrison B Lewis
<b>Secretary</b>	J Morrison
<b>Bankers</b>	Lloyds TSB Bank Plc PO Box 72 Bailey Drive Gillingham Business Park Kent ME8 0LS
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants Registered Auditor 115 Edmund Street Birmingham B3 2HJ

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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 June 2010

### Principal activities

The principal activity of the company is that of acting as a holding company

### Results and dividends

The company made a loss for the year of £454,140 (2009 £1,633,819) The directors do not recommend the payment of a dividend for the year

### Directors

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

DIA Morrison  
G Morrison  
B Lewis

### Directors' responsibilities

The directors are responsible for preparing 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) The financial statements are required by law to 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 these 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 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

## Report of the directors (continued)

### **Auditor**

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 485 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

ON BEHALF OF THE BOARD



D I A Morrison  
Director

Date 29 March 2011



## Report of the independent auditor to the members of Intelligent Property Group Holdings Limited

We have audited the financial statements of Intelligent Property Group Holdings Limited for the year ended 30 June 2010, which comprise the principal accounting policies, the profit and loss account, the balance sheet 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 page 3, 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](http://www.frc.org.uk/apb/scope/private).

### **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 June 2010 and of its loss 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.

## Report of the independent auditor to the members of Intelligent Property Group Holdings 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.



David P White  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Birmingham

30 March 2011

## Principal accounting policies

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards

### **Going concern**

The financial statements have been prepared on a going concern basis despite the net liabilities totalling £2,057,838 at 30 June 2010. The directors have prepared a cashflow forecast that demonstrates that the company can fund its working capital requirements from operations. The directors have received a letter of support from Chaldean I LLP confirming that it will not request repayment of its group balance for a period of twelve months from the date of approving the accounts.

### **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.

### **Investments**

Investments in subsidiary undertakings are stated at cost less provision for permanent diminution in value.

### **Group accounts**

The company itself is a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.



## Profit and loss account

	Note	2010 £	2009 £
Turnover		-	-
<b>Administration expenses:</b>			
Exceptional charges	1	500,000	1,518,855
Other operating charges	2	(68,529)	116,153
<b>Total administrative expenses and operating loss</b>		<b>(431,471)</b>	<b>(1,635,008)</b>
Income from shares in group undertakings			-
Interest receivable	3	111,255	118,025
Interest payable and similar charges	4	(133,924)	(116,836)
<b>Loss on ordinary activities before taxation</b>		<b>(454,140)</b>	<b>(1,633,819)</b>
Tax on loss on ordinary activities	5	-	-
<b>Loss for the financial year</b>	12	<b>(454,140)</b>	<b>(1,633,819)</b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

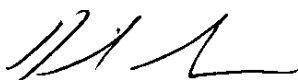
The accompanying accounting policies and notes form part of these financial statements.

## Balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Investments	6	<u>1,250</u>	<u>1,350</u>
<b>Current assets</b>			
Debtors	7	<u>1,303,213</u>	<u>1,235,124</u>
Cash at bank		<u>765</u>	<u>141,695</u>
		<u>1,303,978</u>	<u>1,376,819</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>17,419</u>	<u>270,144</u>
<b>Net current assets</b>		<u>1,286,559</u>	<u>1,106,675</u>
<b>Total assets less current liabilities</b>		<u>1,287,809</u>	<u>1,108,723</u>
<b>Creditors: amounts falling due after more than one year</b>	9	<u>(1,585,647)</u>	<u>(1,451,723)</u>
<b>Provisions for liabilities and charges</b>	10	<u>(1,760,000)</u>	<u>(1,260,000)</u>
		<u>(2,057,838)</u>	<u>(1,603,698)</u>
<b>Capital and reserves</b>			
Called-up equity share capital	11	<u>1,250</u>	<u>1,250</u>
Profit and loss account	12	<u>(2,059,088)</u>	<u>(1,604,948)</u>
<b>Deficit</b>	13	<u>(2,057,838)</u>	<u>(1,603,698)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 29 March 2011 and are signed on their behalf by:



D I A Morrison  
Director

Company registration number: 03541527

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

## Notes to the financial statements

### 1 Exceptional charges

	2010 £	2009 £
Impairment of investment in subsidiary undertakings	-	258,855
Provision for losses in subsidiary undertakings	500,000	1,260,000
	<u>500,000</u>	<u>1,518,855</u>

### 2 Operating loss

The audit fee is borne by other members of the group

Directors are remunerated by other members of the group

### 3 Interest receivable

	2010 £	2009 £
Bank interest	-	1,189
Interest receivable from group undertakings	111,255	116,836
	<u>111,255</u>	<u>118,025</u>

### 4 Interest payable

	2010 £	2009 £
Interest payable to group undertakings	73,712	71,421
Interest payable to shareholders	60,212	45,415
	<u>133,924</u>	<u>116,836</u>

### 5 Taxation on loss on ordinary activities

No taxation charge arose on the loss for the year

## 6 Investments

	£
Cost	
At 1 July 2009 and 30 June 2010	<u>260,205</u>
Provisions	
At 1 July 2009	258,855
Charge in the year	<u>100</u>
At 30 June 2010	<u>258,955</u>
Net book value	
At 30 June 2010	<u>1,250</u>
At 30 June 2009	<u>1,350</u>

At 30 June 2010, the company held more than 20% of the ordinary share capital of the following undertakings

	Country of incorporation	Proportion held	Nature of business
IPG Systems Ltd	England and Wales	100%	Facilities management software developers
R R Richardson Maintenance Ltd	England and Wales	100%	Facilities management services

## 7 Debtors

	2010 £	2009 £
Amounts owed by group undertakings	<u>1,303,213</u>	1,232,528
Other debtors	<u>-</u>	<u>2,596</u>
	<u>1,303,213</u>	<u>1,235,124</u>

## 8 Creditors: amounts falling due within one year

	2010 £	2009 £
Amounts owed to group undertakings	-	269,697
Other creditors	<u>17,419</u>	<u>447</u>
	<u>17,419</u>	<u>270,144</u>

**9 Creditors: amounts falling due after more than one year**

	2010 £	2009 £
Loan from shareholders	713,304	653,092
Amounts owed to group undertakings	872,343	798,631
	<u>1,585,647</u>	<u>1,451,723</u>

**10 Provisions for liabilities and charges**

	£
Provision for subsidiary undertaking losses	
At 1 July 2009	1,260,000
Charge for the year	500,000
At 30 June 2010	<u>1,760,000</u>

The company has made a provision for losses incurred by its subsidiaries. This provision will be utilised when additional share capital is issued that will require immediate impairment.

**11 Share capital**

Authorised share capital

	2010 £	2009 £
100,000 Ordinary A shares of £0.01 each	1,000	1,000
900,000 Ordinary B shares of £0.01 each	9,000	9,000
25,000 Ordinary C shares of £0.01 each	250	250
	<u>10,250</u>	<u>10,250</u>

Allotted, called up and fully paid

	2010		2009	
	No	£	No	£
68,800 Ordinary A shares of £0.01 each	68,800	688	68,800	688
33,300 Ordinary B shares of £0.01 each	33,300	333	56,200	333
22,900 Ordinary C shares of £0.01 each	22,900	229	24,900	229
	<u>125,000</u>	<u>1,250</u>	<u>125,000</u>	<u>1,250</u>

**12 Profit and loss account**

	2010 £	2009 £
Balance brought forward	(1,604,948)	28,871
Loss for the financial year	(454,140)	(1,633,819)
Balance carried forward	<u>(2,059,088)</u>	<u>(1,604,948)</u>

**13 Reconciliation of movements in shareholders' deficit**

	2010 £	2009 £
Loss for the financial year	(454,140)	(1,633,819)
Opening shareholders' (deficit)/funds	(1,603,698)	30,121
Closing shareholders' deficit	<u>(2,057,838)</u>	<u>(1,603,698)</u>

**14 Financial commitments**

The company has entered into an unlimited guarantee in respect of bank borrowings with companies in the group headed by Intelligent Property Group Holdings Limited. At 30 June 2010, the loans guaranteed were £493,482 (2009 £671,506)

There were no other financial commitments at 30 June 2010 or 30 June 2009

**15 Parent undertaking and ultimate controlling entity**

Chaldean I LLP owns 55% of Intelligent Property Group Holdings Limited. Chaldean I LLP is an undertaking incorporated in England and Wales. Chaldean I LLP is controlled by the Morrison family.

**16 Related party transactions**

The following related party balances existed at the year end

	2010 £	2009 £
<b>Amounts due from group undertakings:</b>		
R R Richardson Maintenance Ltd	835,790	851,460
IPG Systems Ltd	467,423	381,068
	<u>1,303,213</u>	<u>1,232,528</u>
<b>Amounts due to group undertakings:</b>		
S G Maintenance Services Ltd	-	180,002
Chaldean Management Ltd	-	89,695
Chaldean I LLP due after one year	872,343	798,631
	<u>872,343</u>	<u>1,068,328</u>
<b>Amounts due to shareholders:</b>		
Chaldean 2002 Trust	569,886	521,781
Barrie Lewis	143,418	131,311
	<u>713,304</u>	<u>653,092</u>

The company converted its debt due from IPG Systems Limited into equity after the year end. The funds injected into IPG Systems Limited were used by that company to repay its debt due to R R Richardson Maintenance Limited. R R Richardson Maintenance Limited sued these funds to repay its debt to Intelligent Property Group Holdings Limited of £835,790 in full. The directors have not provided against these group debts on the basis of these post year end transactions.

**16 Related party transactions (continued)**

Loans to and from group companies are interest free and have no fixed repayment date  
Loans from shareholders accrued interest at 10% and were unsecured

The company received interest totalling £111,255 (2009 £116,873) from IPG Systems Limited during the year

The company was charged interest by the following related parties during the year

	2010	2009
	£	£
Chaldean I LLP	73,712	64,260
Chaldean 2002 Trust	48,105	42,061
Barrie Lewis	12,107	10,515
	<u>133,924</u>	<u>116,836</u>