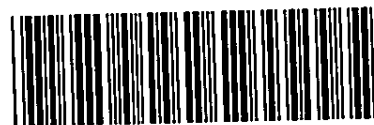


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Report of the Directors and
Financial Statements for the Year Ended 31 March 2014
for
Arundel Corporation

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Arundel Corporation

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for the Year Ended 31 March 2014

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Arundel Corporation

Company Information
for the Year Ended 31 March 2014

DIRECTORS:

VA Scarles
N Scarles

REGISTERED OFFICE:

DELAPORT COACHHOUSE
WHEATHAMPSTEAD
HERTS
AL4 8RQ

REGISTERED NUMBER:

FC014884 (England and Wales)

Arundel Corporation

Report of the Directors
for the Year Ended 31 March 2014

The directors present their report with the financial statements of the company for the year ended 31 March 2014

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2013 to the date of this report

VA Scarles
N Scarles

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Thwaites Blackwell Bailey & Co Limited, resigned their audit registration and so the Directors have appointed Miller & Co as the company's auditors,

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD.



VA Scarles - Director

31 October 2014

Report of the Independent Auditors to the Members of
Arundel Corporation

We have audited the financial statements of Arundel Corporation for the year ended 31 March 2014 on pages four to eight. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 March 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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.

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 in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.


Roger Cox FCA (Senior Statutory Auditor)

Date

3 November 2014

for and on behalf of Miller & Co
Chartered Accountants
Statutory Auditors
5 Imperial Court, Laporte Way
Luton, LU4 8FE
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Arundel Corporation

Profit and Loss Account
for the Year Ended 31 March 2014

	Notes	31 3 14 £	31 3 13 £
TURNOVER		1,990,747	1,689,639
Cost of sales		131,392	121,466
GROSS PROFIT		1,859,355	1,568,173
Administrative expenses		86,150	86,207
OPERATING PROFIT	2	1,773,205	1,481,966
Interest receivable and similar income		1,042	305
		1,774,247	1,482,271
Interest payable and similar charges		618,126	677,753
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,156,121	804,518
Tax on profit on ordinary activities	3	258,060	179,446
PROFIT FOR THE FINANCIAL YEAR		898,061	625,072

The notes form part of these financial statements

Arundel Corporation (Registered number FC014884)

Balance Sheet
31 March 2014

	Notes	31 3 14		31 3 13	
		£	£	£	£
FIXED ASSETS					
Investment property	4		26,740,200		26,740,200
CURRENT ASSETS					
Debtors	5	3,239		152,439	
Cash at bank		1,717,629		654,305	
		1,720,868		806,744	
CREDITORS					
Amounts falling due within one year	6	6,142,700		876,637	
NET CURRENT LIABILITIES			(4,421,832)		(69,893)
TOTAL ASSETS LESS CURRENT LIABILITIES			22,318,368		26,670,307
CREDITORS					
Amounts falling due after more than one year	7		7,000,000		12,250,000
NET ASSETS			15,318,368		14,420,307
CAPITAL AND RESERVES					
Called up share capital	9		100		100
Revaluation reserve	10		2,733,512		2,733,512
Profit and loss account	10		12,584,756		11,686,695
SHAREHOLDERS' FUNDS			15,318,368		14,420,307

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 31 October 2014 and were signed on its behalf by



VA Scarles - Director

The notes form part of these financial statements

1 ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents the rents received from the investment properties owned by the Company. Turnover is recognised on a receivable basis.

Investment properties

In accordance with SSAP 19 investment properties are revalued at open market value annually by either independent professional third party valuers or the directors. The aggregate surplus or deficit is transferred to revaluation reserve, subject to individual impairments in value. No depreciation is provided on investment properties.

However the Companies Act 2006 requires that all properties should be depreciated. This requirement conflicts with the generally accepted principle set out in SSAP 19.

The directors consider that these properties are not held for trading use but are held for their investment potential. It is therefore necessary to adopt SSAP 19 as to depreciate them would not give a true and fair view. If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified because depreciation is only one of the many factors reflected in the annual valuation.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2 OPERATING PROFIT

The operating profit is stated after charging

	31 3 14 £	31 3 13 £
Directors' remuneration and other benefits etc	<u>80,000</u>	<u>80,000</u>

3 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	31 3 14 £	31 3 13 £
Current tax		
UK corporation tax	<u>258,060</u>	<u>179,446</u>
Tax on profit on ordinary activities	<u>258,060</u>	<u>179,446</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

4 INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 April 2013	
and 31 March 2014	26,740,200
NET BOOK VALUE	
At 31 March 2014	26,740,200
At 31 March 2013	26,740,200

Cost or valuation at 31 March 2014 is represented by

	£
Valuation in 2014	26,740,200

The investment properties were valued by Cluttons, LLP Chartered Surveyors. Some properties were valued in February and April 2009 and the other properties were valued in November 2010.

The historical cost of the properties is £24,006,688.

The Directors have estimated that the sale of the properties would result in a potential tax liability of £590,438. No deferred tax is provided on this figure as there are no plans to sell the properties at the present time.

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 14 £	31 3 13 £
Trade debtors	3,239	152,439

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 14 £	31 3 13 £
Bank loans and overdrafts	5,250,000	-
Trade creditors	452,008	417,460
Tax	58,060	179,416
Social security and other taxes	200,039	-
Accruals and deferred income	182,593	279,761
	6,142,700	876,637

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 14 £	31 3 13 £
Bank Loans	7,000,000	12,250,000

Arundel Corporation

Notes to the Financial Statements - continued
for the Year Ended 31 March 2014

8 SECURED DEBTS

The following secured debts are included within creditors

	31 3 14 £	31 3 13 £
Bank loans	5,250,000	-
Bank Loans	7,000,000	12,250,000
	<u>12,250,000</u>	<u>12,250,000</u>

The bank loans are secured by a first legal charge on the company's properties

9 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £0 50	31 3 14 £	31 3 13 £
200	Ordinary		<u>100</u>	<u>100</u>

	2014 Number of Shares	2013 Number of Shares
Authorised Share Capital Ordinary \$1 Shares	10,000	10,000

Called up Fully Paid Share Capital Ordinary \$1 Shares	200	200
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10 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 April 2013	11,686,695	2,733,512	14,420,207
Profit for the year	<u>898,061</u>		<u>898,061</u>
At 31 March 2014	<u>12,584,756</u>	<u>2,733,512</u>	<u>15,318,268</u>

11 RELATED PARTY DISCLOSURES

Mrs V A Scarles is a partner in Sherwood Services, a property managing agent. During the year the Company paid £75210 (2013 £71571) to the partnership to manage its' properties. At 31 March 2014 £94603 is owed by the company to Sherwood Services and 31 March 2013 £1661 was owed to the Company by Sherwood Services. All transactions are on an arms length basis.

The ultimate controlling party is HSBC Trustees