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Reg

Company Registration Number FC016180

HALLEY INVESTMENT COMPANY LIMITED

UNAUDITED
FINANCIAL STATEMENTS

31 DECEMBER 2012



ArmstrongWatson[®]
Accountants & Financial Advisers

HALLEY INVESTMENT COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS	Viscount Petersham M J W Scriven
COMPANY SECRETARY	D Stevens
REGISTERED NUMBER	FC016180
REGISTERED OFFICE	Cedar House 20 Parliament Street Hamilton Bermuda HM12
ACCOUNTANTS	Armstrong Watson Chartered Accountants Number 3 Acorn Business Park Keighley Road Skipton North Yorkshire BD23 2UE

HALLEY INVESTMENT COMPANY LIMITED

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HALLEY INVESTMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 £	2011 £
TURNOVER	1	4,000	4,000
Administrative expenses		(22,461)	(16,566)
OPERATING LOSS		(18,461)	(12,566)
EXCEPTIONAL ITEMS			
Net profit on sale of tangible fixed assets		171,743	278,541
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		153,282	265,975
Income from shares in group undertakings		-	370,000
Interest receivable and similar income		3,457	-
Interest payable and similar charges		-	(29,120)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		156,739	606,855
Tax on profit on ordinary activities	2	(39,305)	(52,981)
PROFIT FOR THE FINANCIAL YEAR	9	117,434	553,874

The notes on pages 4 to 9 form part of these financial statements

HALLEY INVESTMENT COMPANY LIMITED
REGISTERED NUMBER: FC016180

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Investment property	3		160,000		160,000
Investments	4		70,758		70,758
			230,758		230,758
CURRENT ASSETS					
Debtors amounts falling due after more than one year	5	1,298,673		1,115,673	
Debtors amounts falling due within one year	5	48,699		43,207	
Cash at bank		45,505		133,183	
			1,392,877	1,292,063	
CREDITORS: amounts falling due within one year	6	(235,783)		(252,403)	
NET CURRENT ASSETS			1,157,094		1,039,660
TOTAL ASSETS LESS CURRENT LIABILITIES			1,387,852		1,270,418
CREDITORS: amounts falling due after more than one year	7		(91,000)		(91,000)
NET ASSETS			1,296,852		1,179,418
CAPITAL AND RESERVES					
Called up share capital	8		6,750		6,750
Revaluation reserve	9		140,000		140,000
Profit and loss account	9		1,150,102		1,032,668
SHAREHOLDERS' FUNDS			1,296,852		1,179,418

HALLEY INVESTMENT COMPANY LIMITED

BALANCE SHEET (continued) AS AT 31 DECEMBER 2012

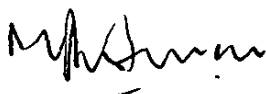
The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2012 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

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

The company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



M J W Scriven
Director

Date 16 August 2013

The notes on pages 4 to 9 form part of these financial statements

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of invoiced amounts for rents receivable during the year, exclusive of Value Added Tax and trade discounts.

Income is recognised in the period to which it relates.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Investment properties

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

2. TAXATION

	2012 £	2011 £
Analysis of tax charge/(credit) in the year		
UK corporation tax charge on profit for the year	35,900	53,000
Adjustments in respect of prior periods	3,405	(19)
Tax on profit on ordinary activities	<u>39,305</u>	<u>52,981</u>

3. INVESTMENT PROPERTY

	Freehold investment property £
Valuation	
At 1 January 2012 and 31 December 2012	<u>160,000</u>
The 2012 valuations were made by the directors, on an open market value for existing use basis	

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

4 FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2012 and 31 December 2012	<u>70,758</u>
Net book value	
At 31 December 2012	<u>70,758</u>
At 31 December 2011	<u>70,758</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of shares	Holding
Elvaston Investments Limited	Ordinary	100%

Name	Business	Registered office
Elvaston Investments Limited	Investment Company	England and Wales

The aggregate of the share capital and reserves as at 31 December 2012 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Elvaston Investments Limited	<u>7,203,994</u>	<u>985,057</u>

5 DEBTORS

	2012 £	2011 £
Due after more than one year		
Amounts owed by group undertakings	<u>1,298,673</u>	<u>1,115,673</u>
Due within one year		
Other debtors	<u>48,699</u>	<u>43,207</u>

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

**6. CREDITORS:
Amounts falling due within one year**

	2012	2011
	£	£
Amounts owed to group undertakings	2,900	2,500
Corporation tax	35,900	53,000
Other creditors	196,983	196,903
	<u>235,783</u>	<u>252,403</u>

**7. CREDITORS:
Amounts falling due after more than one year**

	2012	2011
	£	£
Share capital treated as debt (Note 8)	<u>91,000</u>	<u>91,000</u>

8. SHARE CAPITAL

	2012	2011
	£	£
Shares classified as capital		
Allotted, called up and fully paid		
6,750 Ordinary shares of £1 each	<u>6,750</u>	<u>6,750</u>
Shares classified as debt		
Allotted, called up and fully paid		
91,000 Net 10 5% non redeemable cumulative preference shares of £1 each	<u>91,000</u>	<u>91,000</u>

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

8. SHARE CAPITAL (continued)

There are arrears of dividend on the above preference shares in the current year of £13,650

The respective rights of the different classes of share capital are as follows

Dividends

Dividends shall be applied in the following manner and priority

- 1) Preference shares to receive a 10.5% dividend per annum together with any arrears, and
- 2) Any further dividends shall be paid to ordinary shareholders

Winding up

On a winding up the surplus assets available to shareholders shall be applied in the following manner and priority

- 1) Repayment of capital to preference shareholders, and
- 2) Any balance shall be paid to ordinary shareholders

Voting

Preference shareholders have no voting rights, other than on a winding up or at a meeting called to reduce the share capital of the company, at which they have equal voting rights with ordinary shareholders. Ordinary shareholders have voting rights in all circumstances

9. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 January 2012	140,000	1,032,668
Profit for the financial year		117,434
At 31 December 2012	<u>140,000</u>	<u>1,150,102</u>

10. DIVIDENDS

	2012 £	2011 £
Dividends paid on equity capital	<u>-</u>	<u>151,450</u>

On 4 February 2013, 3 June 2013 and 14 June 2013 the directors proposed a dividend of £225,000, £300,000 and £1,225,000 respectively

HALLEY INVESTMENT COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

11. RELATED PARTY TRANSACTIONS

Included in debtors is an amount due from a subsidiary company, Elvaston Investments Limited, of £1,298,673 (2011-£1,115,673) This amount is not due for repayment before 31 December 2013 and is interest free

Included in other debtors is an amount due from The Stanhope Trust of £44,699 (2011-£35,207) This amount is interest free and repayable on demand

Included in creditors are amounts due to group undertakings Elvaston Properties Limited of £2,900 (2011-£2,500)

Included in creditors are the following amounts due to related parties Doublard Investment Company Limited - £37,848 (2011-£37,848), The Chesterfield Trust - £149,744 (2011-£149,744) and Stanhope Gardens Limited - £5,210 (2011-£5,210)

All creditor balances are repayable within one year and are interest free

The Earl of Harrington has a beneficial interest in all the issued share capital of Doublard Investment Company Limited and Stanhope Gardens Limited as sole life tenant of The Chesterfield Trust

12. CONTROLLING PARTY

The Stanhope Trust owns all of the allotted ordinary share capital of the company. Throughout the current and previous year, The Earl of Harrington had a beneficial interest in all of the allotted ordinary share capital through The Stanhope Trust, of which he is the sole life tenant