

Company Registration No 00268552 (England and Wales)

STRETTONS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2013



STRETTONS LIMITED

COMPANY INFORMATION

Directors

P G Tobin
P Tobin
B Tobin
G R Slyper
P J Waterfield
S E D Tilsiter
F C Hunter
C J M Collins
M R Iliffe
M R Bolton
N A Matthews
M H Shaw
G M Mariner (Appointed 1 May 2013)

Secretary

B Tobin

Company number

00268552

Registered office

Central House
189 - 203 Hoe Street
London
E17 3SZ

Auditors

Goodman Jones LLP
29/30 Fitzroy Square
London
W1T 6LQ

Business address

Central House
189 - 203 Hoe Street
London
E17 3SZ

Bankers

National Westminster Bank plc
Barclays Bank plc

STRETTONS LIMITED

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STRETTONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2013

The directors present their report and financial statements for the year ended 30 April 2013

Principal activities and review of the business

The principal activity of the company continues to be that of Chartered Surveyors, Auctioneers, Property Managers and Estate Agents

Our strength lies in the diversity of the range of work and very broad spectrum of clients

Trading has continued to be difficult although across the firm we are all very busy and seeing signs of growth. We are however growing our client base both in quality and quantity which is encouraging for the future.

We have again improved our position in the Estates Gazette Top commercial property advisors table - clearly other firms are suffering far more than us which is a consequence of our very broad base and long term nature of much of our business.

We have continued to develop our staff and the substantial expenditure on IT in the past few years is being maintained.

We have relocated our City office from a charming, historic but difficult building in Spitalfields to a modern floor with prominent corner ground floor frontage at Finsbury Square and also taken new offices just off Cavendish Square in the West End - we are relocating our Battersea auction team there.

Our key performance indicators are

Turnover which has increased by 2.1% from £6,944,120 to £7,086,686

Payroll costs which have decreased 0.3% from £5,063,896 to £5,050,573

Debtor days which have decreased from 37 days to 36 days

Net profit which increased from £2,342 to £14,489

Results and dividends

The results for the year are set out on page 5

The directors do not recommend the payment of an ordinary dividend

Directors

The following directors have held office since 1 May 2012

P G Tobin
P Tobin
B Tobin
G R Slyper
P J Waterfield
S E D Tilsiter
F C Hunter
C J M Collins
M R Iliffe
M R Bolton
N A Matthews

STRETTONS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

M H Shaw

G M Mariner

(Appointed 1 May 2013)

Auditors

The auditors, Goodman Jones LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

Statement of 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 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information

By order of the board

B Tobin

Secretary

30 October 2013

STRETTONS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STRETTONS LIMITED

We have audited the financial statements of Strettons Limited for the year ended 30 April 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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 auditors' 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, 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 30 April 2013 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

STRETTONS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF STRETTONS LIMITED

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



Jack Finesilver (Senior Statutory Auditor)
for and on behalf of Goodman Jones LLP

04 November 2013

Chartered Accountants
Statutory Auditor

29/30 Fitzroy Square
London
W1T 6LQ

STRETTONS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2013

	Notes	2013 £	2012 £
Turnover	2	7,086,686	6,944,120
Administrative expenses		(7,117,401)	(7,000,566)
Other operating income		9,301	17,358
Operating loss	3	(21,414)	(39,088)
Other interest receivable and similar income	4	46,207	49,131
Profit on ordinary activities before taxation		24,793	10,043
Tax on profit on ordinary activities	5	(10,304)	(7,701)
Profit for the year	14	14,489	2,342

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account


STRETTONS LIMITED


BALANCE SHEET

AS AT 30 APRIL 2013

	Notes	2013		2012	
		£	£	£	£
Fixed assets					
Tangible assets	7		334,554		257,184
Current assets					
Debtors	9	1,272,207		1,249,882	
Cash at bank and in hand		979,350		613,609	
		<u>2,251,557</u>		<u>1,863,491</u>	
Creditors amounts falling due within one year	10	<u>(1,763,257)</u>		<u>(1,312,254)</u>	
Net current assets			488,300		551,237
Total assets less current liabilities			822,854		808,421
Provisions for liabilities	11		(23,513)		(23,569)
			<u>799,341</u>		<u>784,852</u>
Capital and reserves					
Called up share capital	13		32,893		32,893
Profit and loss account	14		766,448		751,959
Shareholders' funds	15		<u>799,341</u>		<u>784,852</u>

Approved by the Board and authorised for issue on 30 October 2013


B Tobin
Director


S E D Tilsiter
Director

Company Registration No 00268552

STRETTONS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2013

	£	2013 £	£	2012 £
Net cash inflow/(outflow) from operating activities		485,069		(361,777)
Returns on investments and servicing of finance				
Interest received	46,207		49,131	
Net cash inflow for returns on investments and servicing of finance		46,207		49,131
Taxation		(4,936)		(5,396)
Capital expenditure				
Payments to acquire tangible assets	(165,349)		(61,869)	
Receipts from sales of tangible assets	4,750		-	
Net cash outflow for capital expenditure		(160,599)		(61,869)
Net cash inflow/(outflow) before management of liquid resources and financing		365,741		(379,911)
Increase/(decrease) in cash in the year		365,741		(379,911)

STRETTONS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2013

1	Reconciliation of operating loss to net cash inflow/(outflow) from operating activities	2013	2012
		£	£
	Operating loss	(21,414)	(39,088)
	Depreciation of tangible assets	84,832	79,033
	Profit on disposal of tangible assets	(1,603)	-
	Increase in debtors	(22,325)	(286,284)
	Increase/(decrease) in creditors within one year	445,579	(115,438)
	Net cash inflow/(outflow) from operating activities	<u>485,069</u>	<u>(361,777)</u>

2	Analysis of net funds	1 May 2012	Cash flow	Other non-cash changes	30 April 2013
		£	£	£	£
	Net cash				
	Cash at bank and in hand	613,609	365,741	-	979,350
	Net funds	<u>613,609</u>	<u>365,741</u>	<u>-</u>	<u>979,350</u>

3	Reconciliation of net cash flow to movement in net funds	2013	2012
		£	£
	Increase/(decrease) in cash in the year	365,741	(379,911)
	Movement in net funds in the year	365,741	(379,911)
	Opening net funds	613,609	993,520
	Closing net funds	<u>979,350</u>	<u>613,609</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company meets its day to day working capital requirements through cash resources. The directors are satisfied that the company will have no cash flow restrictions in the next 12 months. Therefore the directors have prepared the accounts on a going concern basis.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for services supplied by the company net of VAT and trade discounts.

1.4 Goodwill

Acquired goodwill is stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, on a 20% straight line basis.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.7 Pensions

The company operates a defined contribution pension scheme and part of the pension charge disclosed in Note 12 represents the amount payable by the company to the fund in respect of the year. The assets are held separately from those of the company in an independently administered fund. The remainder of the pension charge, as disclosed in Note 17, represents the amount paid into a directors' personal pension scheme.

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.9 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Strettons Group Limited, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit

	2013	2012
	£	£
Operating loss is stated after charging		
Depreciation of tangible assets	84,832	79,033
Operating lease rentals		
- Plant and machinery	137,594	140,322
- Other assets	310,524	298,107
Auditors' remuneration (including expenses and benefits in kind)	24,800	24,800
and after crediting		
Profit on disposal of tangible assets	<u>(1,603)</u>	<u>-</u>

4 Investment income

	2013	2012
	£	£
Bank interest	<u>46,207</u>	<u>49,131</u>
	<u>46,207</u>	<u>49,131</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

5 Taxation	2013	2012
	£	£
Domestic current year tax		
U K corporation tax	10,360	4,936
Total current tax	10,360	4,936
Deferred tax		
Deferred tax charge/credit current year	(56)	2,765
	<u>10,304</u>	<u>7,701</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	24,793	10,043
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2012 - 20.00%)	4,959	2,009
Effects of		
Non deductible expenses	5,065	5,298
Depreciation add back	16,966	15,806
Capital allowances	(16,630)	(18,177)
	<u>5,401</u>	<u>2,927</u>
Current tax charge for the year	<u>10,360</u>	<u>4,936</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2012	111,541
Disposals	(111,541)
At 30 April 2013	-
Amortisation	
At 1 May 2012	111,541
Amortisation on disposals	(111,541)
Net book value	
At 30 April 2013	-
At 30 April 2012	-

7 Tangible fixed assets

	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost			
At 1 May 2012	1,078,309	85,362	1,163,671
Additions	165,349	-	165,349
Disposals	-	(26,137)	(26,137)
At 30 April 2013	1,243,658	59,225	1,302,883
Depreciation			
At 1 May 2012	837,046	69,441	906,487
On disposals	-	(22,990)	(22,990)
Charge for the year	81,017	3,815	84,832
At 30 April 2013	918,063	50,266	968,329
Net book value			
At 30 April 2013	325,595	8,959	334,554
At 30 April 2012	241,263	15,921	257,184

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 May 2012 & at 30 April 2013	3
Provisions for diminution in value	
At 1 May 2012 & at 30 April 2013	3
Net book value	
At 30 April 2013	-
At 30 April 2012	-

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Edwin Evans Auctioneers Ltd	England & Wales	Ordinary	100

9 Debtors	2013 £	2012 £
Trade debtors	705,977	709,045
Other debtors	68,328	107,167
Prepayments and accrued income	497,902	433,670
	<u>1,272,207</u>	<u>1,249,882</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

10 Creditors amounts falling due within one year	2013 £	2012 £
Trade creditors	75,583	73,673
Amounts owed to parent and fellow subsidiary undertakings	1,331	617
Corporation tax	10,360	4,936
Other taxes and social security costs	919,266	414,466
Directors' current accounts	516,458	486,696
Other creditors	1,065	300
Accruals and deferred income	239,194	331,566
	<u>1,763,257</u>	<u>1,312,254</u>

11 Provisions for liabilities

	Deferred tax liability £
Balance at 1 May 2012	23,569
Profit and loss account	(56)
	<u>23,513</u>
Balance at 30 April 2013	<u>23,513</u>

The deferred tax liability is made up as follows

	2013 £	2012 £
Accelerated capital allowances	<u>23,513</u>	<u>23,569</u>

12 Pension and other post-retirement benefit commitments

Defined contribution

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds. All contributions were paid during the year and these include staff pension costs of £33,079 (2012: £28,745).

	2013 £	2012 £
Contributions paid by the company for the year	<u>117,291</u>	<u>167,686</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

13 Share capital	2013	2012
	£	£
Allotted, called up and fully paid		
32,893 Ordinary shares of £1 each	32,893	32,893

14 Statement of movements on profit and loss account

	Profit and loss account
	£
Balance at 1 May 2012	751,959
Profit for the year	14,489
Balance at 30 April 2013	766,448

15 Reconciliation of movements in shareholders' funds

	2013	2012
	£	£
Profit for the financial year	14,489	2,342
Opening shareholders' funds	784,852	782,510
Closing shareholders' funds	799,341	784,852

16 Financial commitments

At 30 April 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2014

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Operating leases which expire				
Within one year	17,000	17,000	13,269	-
Between two and five years	135,000	15,000	120,694	127,569
In over five years	57,000	115,000	-	-
	<u>209,000</u>	<u>147,000</u>	<u>133,963</u>	<u>127,569</u>

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

17 Directors' remuneration	2013 £	2012 £
Remuneration for qualifying services	1,937,992	1,887,798
Company pension contributions to defined contribution schemes	84,212	138,941
	<u>2,022,204</u>	<u>2,026,739</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 11 (2012 - 11)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	<u>223,655</u>	<u>232,833</u>
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STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

18 Transactions with directors

Strettons Limited manages the properties owned by companies controlled by the following directors

Related Party	Control	Net Sales	Balance
Walthamstow Properties Holding Co Ltd	P G Tobin	£nil (2012 nil)	£nil (2012 nil)
Sycamore Securities Ltd	P Tobin	£nil (2012 £800)	£nil (2012 nil)
Ruthben Property Holding Co Ltd	B Tobin	£nil (2012 £33)	£nil (2012 £nil)
Mountgrove Properties (No 2) Ltd	Tobins	£1,741 (2012 £1,040)	£456 (2012 £77)
Dellhaven Ltd	Tobins	£nil (2012 nil)	£nil (2012 nil)
Newresidence Ltd	4 directors	£nil (2012 £nil)	£nil (2012 nil)

The properties occupied by the company for the purposes of its trade were acquired, in December 2004, by Mountgrove Properties (No 2) Limited, a company jointly owned by Messrs P G , P and B Tobin. The properties are leased on normal commercial terms at an annual rent of £152,500.

Strettons Limited also manages, free of charge, properties owned by some of the directors and their families as well as properties owned by The Strettons Pension Scheme.

The directors' current accounts, as included within creditors falling due within one year, amounted to £516,458 (2012 £486,696).

During the year £20,647 (2012 £17,936) was spent on air conditioning and the related insurance claim of £17,072 (2012 £8,848) was received on behalf of Mountgrove Properties (No 2). At the year end Strettons Ltd was owed £11,160 (2012 £7,585).

During the year a property owned by the directors Peter & Phillip Tobin was sold by auction. No fee was charged for this service.

STRETTONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2013

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2013 Number	2012 Number
Sales	52	45
Administrative	45	45
	<u>97</u>	<u>90</u>

Employment costs

	2013 £	2012 £
Wages and salaries	4,408,068	4,358,099
Social security costs	525,214	538,111
Other pension costs	117,291	167,686
	<u>5,050,573</u>	<u>5,063,896</u>

20 Control

The company is controlled by the directors of Strettons Group Limited, the parent company incorporated in England and Wales