

Interim

HIGHCROFT INVESTMENTS PLC

(Company number – 224271)

Financial Statements

For the period ended 30 September 2011



Highcroft Investments PLC

Financial statements for the nine month period ended 30 September 2011

Company Information

Company number	224271
Directors	John Hewitt, MA (<i>Non-executive Chairman</i>) Christopher Clark, BA FCIS, FSI (<i>Non-executive</i>) Richard Stansfield, BSc FRICS (<i>Non-executive</i>) Jonathan Kingerlee (<i>Chief Executive</i>) Roberta Miles, MA FCA (<i>Finance</i>) David Kingerlee (<i>Executive</i>)
Company secretary	Roberta Miles, MA FCA
Registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Registered office	Thomas House Langford Locks Kidlington Oxon OX5 1HR www.highcroftplc.com

Highcroft Investments PLC

Financial statements for the nine month period ended 30 September 2011

Index

Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5

Highcroft Investments PLC

Profit and loss account for the nine month period ended 30 September 2011

	Note	2011 £'000
Income from fixed asset investments	2	2,202
Losses on investments		(592)
Other operating charges		128
Operating profit		1,482
Interest received		5
Profit on ordinary activities before taxation		1,487
Taxation		-
Profit for the financial period		1,487

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 period as set out above

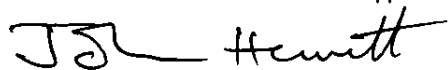
The accompanying notes form an integral part of these financial statements

Highcroft Investments PLC

Balance sheet at 30 September 2011

	Note	£'000	2011 £'000
Fixed assets			
Investments	5		34,975
Current assets			
Debtors	6	2,420	
Cash at bank		<u>551</u>	
		2,971	
Creditors – amounts falling due within one year	7	<u>(29)</u>	
Net current assets			<u>2,942</u>
Total assets less current liabilities			<u>37,917</u>
Capital and reserves			
Called up share capital	8		1,292
Reserves			
- Realised capital	9	5,797	
- Capital redemption		95	
- Revaluation	9	28,249	
- Retained earnings	9	<u>2,484</u>	
			36,625
Shareholders' funds	11		<u>37,917</u>

These financial statements were approved by the Board of Directors on 14 March 2012



J HEWITT



J C KINGERLEE

Directors

Company number – 224271

The accompanying notes form an integral part of these financial statements

HIGHCROFT INVESTMENTS PLC

Notes to the company's financial statements

For the nine month period ended 30 September 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable UK GAAP accounting standards and under the historical cost convention except for the revaluation of investments. The principal accounting policies of the company have remained unchanged from the previous year.

Income from fixed asset investments

Income from fixed asset investments includes dividends received in the period.

Dividends payable

Dividend payments are dealt with when paid as a change of equity in the revenue reserve. Final dividends proposed are not recognised as a liability.

Investments

Investments are included at the following valuations:

- shares in subsidiary undertaking – at market value. The directors have estimated a period end valuation using an external independent valuation of the subsidiary's property portfolio at 30 June 2011 and adjusting this for subsequent transactions and their estimates of movements in the property valuations.
- equity investments (all listed on a recognised investment exchange) - at market value
- unlisted investments - at market value estimated by the directors.

The directors manage and evaluate performance on a fair value basis and therefore have designated qualifying financial assets at fair value through the profit and loss account. Other movements are recognised directly in equity.

Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

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.

Unprovided deferred taxation would crystallise on the sale of assets at their balance sheet value.

Gains on disposals of assets

Gains on disposals of assets are the excess of net proceeds over the valuation at the beginning of the period. They are not available for distribution under the company's articles of association and are taken to realised capital reserve.

2 Income from fixed asset investments

	2011
	£'000
Dividend from subsidiary declared and received 24 August 2011	2,000
Dividends from other equity investments	202
	<hr/> 2,202 <hr/>

HIGHCROFT INVESTMENTS PLC

Notes to the company's financial statements (continued)

For the nine month period ended 30 September 2011

3 Auditor's fees

	2011
	£'000
Fees payable to the company's auditor for the audit of the company's annual accounts	10
Fees payable to the company's auditor for other services	
Other services pursuant to legislation	1
	<u>11</u>

4 Dividends

In the nine months ended 30 September 2011 the following dividends have been paid by the company

	2011
	£'000
2010 Final 17 6p per ordinary share	<u>909</u>

On 25 August 2011 the directors declared a property income distribution of 11 5p per share payable on 20 October 2011 to shareholders registered at 23 September 2011

5 Investments

	Total	Shares in subsidiary undertaking	Other investments Listed	Unlisted
	£'000	£'000	£'000	£'000
Valuation at 1 January 2011	35,819	30,211	5,599	9
Additions at cost	379	-	379	-
Disposals	(132)	-	(132)	-
Deficit on revaluation in excess of cost	(1,079)	(499)	(580)	-
Revaluation decrease below cost	(18)	-	(18)	-
Revaluation increase still less than cost	6	-	6	-
Valuation at 30 September 2011	<u>34,975</u>	<u>29,712</u>	<u>5,254</u>	<u>9</u>

Equity investments are included at their market value. If investments had not been revalued they would have been included on the historical cost basis at the following amounts

	Total	Shares in subsidiary undertaking	Other investments Listed	Unlisted
	£'000	£'000	£'000	£'000
Cost at 30 September 2011	<u>6,687</u>	<u>3,754</u>	<u>2,929</u>	<u>4</u>

At 30 September 2011, the company held 100% of the allotted ordinary share capital and voting rights of Rodenhurst Estates Limited which is a property owning company, registered in England and Wales and operating in England

HIGHCROFT INVESTMENTS PLC

Notes to the company's financial statements (continued)

For the nine month period ended 30 September 2011

6 Debtors

	2011
	£'000
Owed by subsidiary undertaking	2,412
Other debtors	8
	<u>2,420</u>

7 Creditors - amounts falling due within one year

	2011
	£'000
Other taxes and social security	7
Other creditors	22
	<u>29</u>

8 Share capital

	2011
	£'000
Authorised 8,000,000 ordinary shares of 25p each	<u>2,000</u>
Allotted, called up and fully paid 5,167,240 (2010 5,167,240) ordinary shares of 25p each	<u>1,292</u>

9 Reserves

	Revaluation	Realised capital	Retained earnings
	£'000	£'000	£'000
At 1 January 2011	29,340	5,717	1,314
Profit retained	-	-	1,487
Dividends paid	-	-	(909)
Revaluation deficit – equities	(592)	-	592
Revaluation deficit – Rodenhurst Estates Limited	(499)	-	-
Realised gains	-	80	-
At 30 September 2011	<u>28,249</u>	<u>5,797</u>	<u>2,484</u>

The revaluation reserve includes annual revaluation gains and losses, less attributable taxation. The realised capital reserve includes realised revaluation gains and losses, less attributable taxation. In accordance with the articles of association the revaluation and realised capital reserves are not distributable.

10 Deferred taxation

Deferred taxation provided and unprovided for in the financial statements is set out below and is calculated using a tax rate of 25%. Unprovided deferred taxation would crystallise if equity investments were sold at their balance sheet value.

	Provided	Unprovided
	2011	2011
	£'000	£'000
Unrealised capital gains	-	<u>5,500</u>

HIGHCROFT INVESTMENTS PLC

Notes to the company's financial statements (continued)

For the nine month period ended 30 September 2011

11 Reconciliation of movements in shareholders' funds

	2011
	£'000
Profit for the financial period	1,487
Dividends	(909)
	<hr/> 578
Other recognised gains and losses	
Loss on revaluation of assets	(499)
Realised gains/(losses)/gains	80
	<hr/> 159
Net increase in shareholders' funds	159
Shareholders' funds at 1 January 2011	37,758
Shareholders' funds at 30 September 2011	<hr/> 37,917 <hr/>

12 Capital commitments

There were no capital commitments at 30 September 2011

13 Contingent liabilities

There were no contingent liabilities at 30 September 2011

14 Related party transactions

Kingerlee Holdings Limited, through its subsidiaries, owns 25.36% of the company's shares and D H Kingerlee and J C Kingerlee are directors and shareholders of both the company and Kingerlee Holdings Limited. The transactions between the company and Kingerlee Holdings Limited or its subsidiaries, all of which were undertaken on an arm's length basis, were as follows:

	2011
	£'000
Property income distribution or dividend	231
Service charge in relation to services provided at Thomas House, Kidlington	7
Amounts outstanding at the end of the period	Nil

Under the provision of FRS 8, transactions between Highcroft Investments PLC and Rodenhurst Estates Limited are exempt from these disclosure requirements as Rodenhurst is a wholly-owned subsidiary.