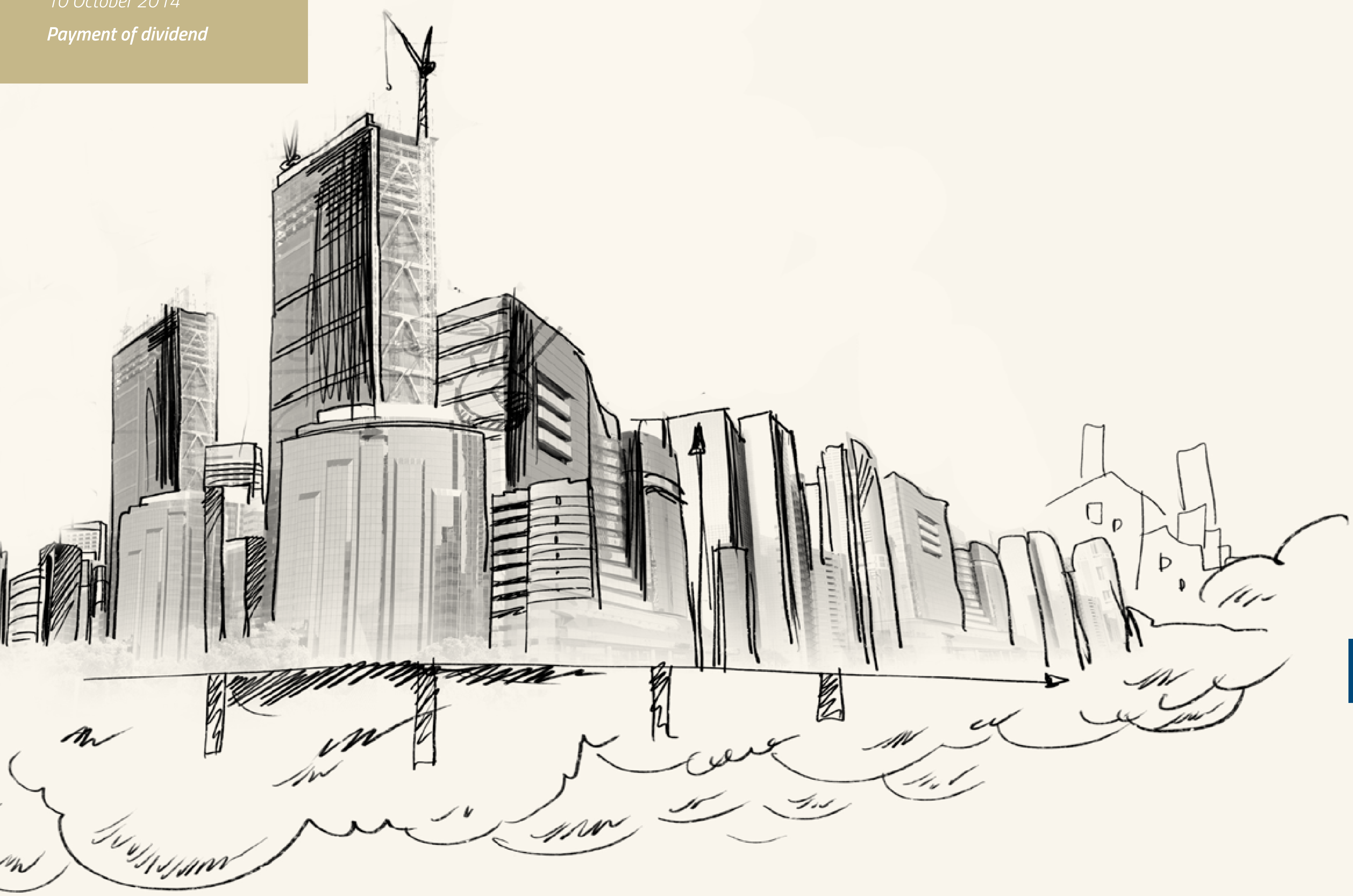
Financial Calendar

18 September 2014
Record date for dividend

25 September 2014
Annual General Meeting

10 October 2014
Payment of dividend



Contents

"These are ideal market conditions for Cygnet to expand its portfolio"

Company Information

Directors

Nazmu Virani	Executive Chairman
Zul Virani	Director
Rahim Virani BSc	Managing Director
Karim Virani BA (LAW)	Director (Legal)
Shaila Virani BSc, BA	Director
Robert Towers, ACIB	Non-executive Director

Company Secretary

Jasvinder Singh Kalsi FCCA

Headoffice

Cygnet Properties & Leisure PLC

Registered Address: Crown House, North Circular Road, Park Royal, London NW10 7PN
Registered in England & Wales No. 3325149

Group Auditors

UHY Hacker Young LLP
Quadrant House
4 Thomas More Street
Thomas More Square
London E1W 1YW

Secondary Auditors

UHY Hacker Young (Brighton)
168 Church Road
Hove East Sussex BN3 2DL

Solicitors

BPE
St. James Square
Cheltenham GL50 3PR

Principal Bankers

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Punjab National Bank (International) Ltd
1 Moorgate Street
London
EC2R 6AB

HSBC Bank plc
46 The Broadway
Ealing
London W5 5JZ

Santander UK PLC
298 Deansgate
Manchester
M3 4HH

Registrars

Neville Registrars Limited
Neville House
18 Laurel Lane
Halesowen
West Midlands B63 3DA

Board of Directors

Nazmu Virani
Executive Chairman

Zul Virani
Director

Rahim Virani BSc
Managing Director

Karim Virani BA (Law)
Director (Legal)

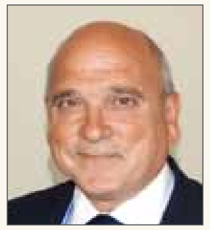
Shaila Virani BSc, BA
Director

Robert Towers ACIB
Non-executive Director

Jas S Kalsi FCCA
Company Secretary

Management Team

Zaeem Ud-Din ACMA, FCCA
Financial Controller



Paul Kyriacou BSc, MRICS
Group Surveyor

Kalpan Patel
Assistant Accountant

Raj Yaqub
Property Manager

Charlene Desporte
Property Manager

Toral Brahmbhatt MBA
Property Manager

Abdulkadar Shaikh
Property Manager

Bhadra Makwana
Property Manager

Pasha Sadr
Property Manager

Arif Shaikh
Property Manager

Shafina Virani
Property Manager

Thomas Nemeth
Property Manager

Sunny Sanghera
Telecoms Consultant

Jamie Brittan
Administrative Assistant

Diane Ross-Goulding
Administrative Assistant

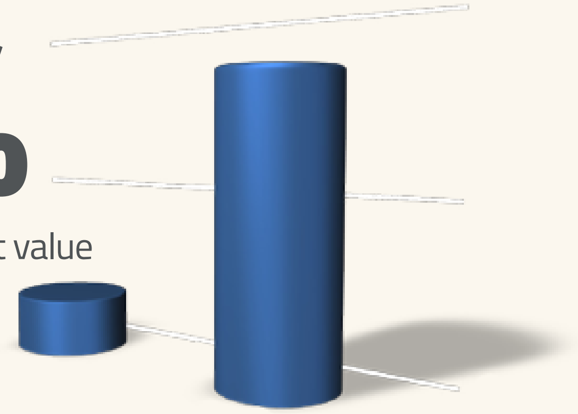
Chairman's Statement

The net asset value as at 31 March 2014 improved by 21% to 86.5p per share against 71.5p per share as at 31 March 2013

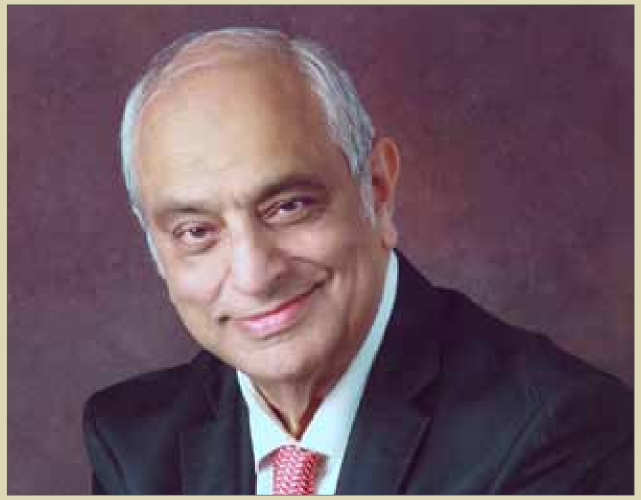
The group's strategy continues to deliver steady growth in income and capital values through prudent investment in a diversified portfolio supported by our strong financial position and diligent management.

21%

increase in net asset value



The operating profit for the year including joint venture and associated companies increased by 24% to £3.24m



Nazmu Virani

Chairman

I would firstly like to pay tribute to Fraser Livingston who retired from the Board in December due to ill health. Fraser's stewardship as Chairman over the last six years contributed significantly to the group's success as evidenced by the yearly results. The Board is grateful for Fraser's contribution and I am sure you will join with the Board in wishing him well for the future.

I am pleased to report that our last financial year to 31 March 2014 has produced another strong performance for the group with improved profits and capital values.

Turnover for the year ended 31 March 2014 increased by 10% to £4.7m, up from £4.28m in 2013. The operating profit for the year including joint venture and associated companies increased by 24% to £3.24m compared to £2.61m in the previous year. The profit on ordinary activities before taxation increased by 36% to £2.72m (2013: £2m) and profit for the year after taxation and minority interests increased also by 30% to £1.62m up from £1.24m in 2013.

The net asset value as at 31 March 2014 improved by 21% to 86.5p per share against 71.5p per share as at 31 March 2013 and earnings per share rose by 30% to 5.76p per share (2013: 4.42p per share). The Board has recommended a dividend payment of 0.30 pence per share, consistent with last year.

The group continues to remain within the criteria governing interest cover and gearing, as prescribed by the Board and which are monitored regularly. The group's gearing continues to be low at 27% and 61% of the group's bank loans have a maturity beyond five years. During the year net debt fell by £3.4m to £11.8m down from £15.2m in 2013 while gross debt reduced by £1m to £15m against £16m last year. The group generated positive cash flows of £2.3m during the year resulting in net cash deposits of £3.2m as at 31 March 2014.

In the reported year the group acquired, through a wholly owned subsidiary company, one freehold office building in Ipswich, Suffolk comprising 4,800 sq ft and through an associated company, a retail unit in Southall. Also in the year, the group sold at a profit two freehold properties: in Wembley and in Wimbledon, the latter selling as break-up in three separate lots taking advantage of a break-up opportunity. An associated company also sold at a profit a freehold property in Croydon. The properties in Wembley and Croydon were sold at substantial profits against their historical costs as shown in the Note of Historical Cost Profits and Losses. Subsequent to the year end, some of the sale proceeds have been redeployed as the group has acquired two further investment properties: in Newcastle-under-Lyme comprising 36,900 sq ft of retail and office space and the other in Docklands, London comprising five retail units totalling 5,000 sq ft.

The group's strategy continues to deliver steady growth in income and capital values through prudent investment in a diversified portfolio supported by our strong financial position and diligent management.

With the economic outlook for the year ahead appearing to be positive, we continue to look at acquisitions where opportunities arise as markets recover, as well as managing our existing portfolio to generate and increase cash flows and establish a sound asset base. Your Board is positive of the group's growth prospects and remains committed to maximizing returns and thereby enhancing earnings per share and net asset value per share.

My sincere thanks go to my fellow directors, the management team and all the staff for their dedication and hard work throughout the year.

Nazmu Virani

Chairman

22 August 2014

pence

5.76

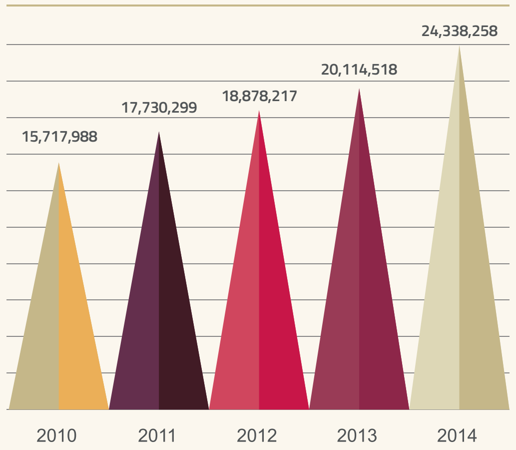
earnings per share

up 30%

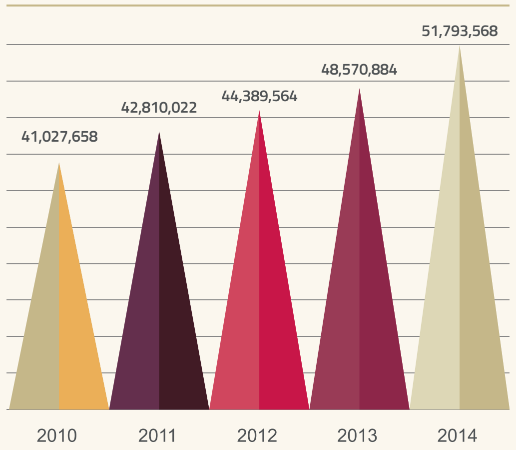
"THE GROUP'S GEARING COUNTINUES TO BE LOW AT 27%"

Graphical Presentation of Financial Information

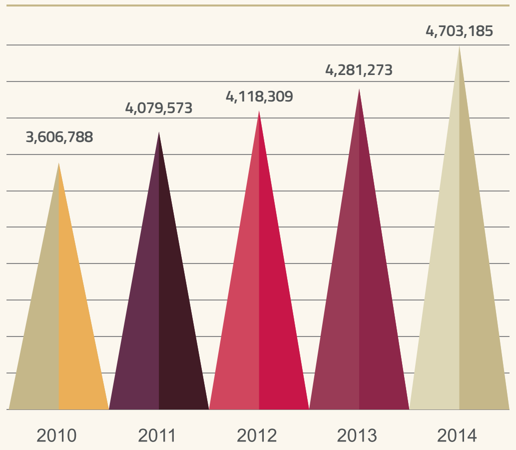
Net Assets (GBP)



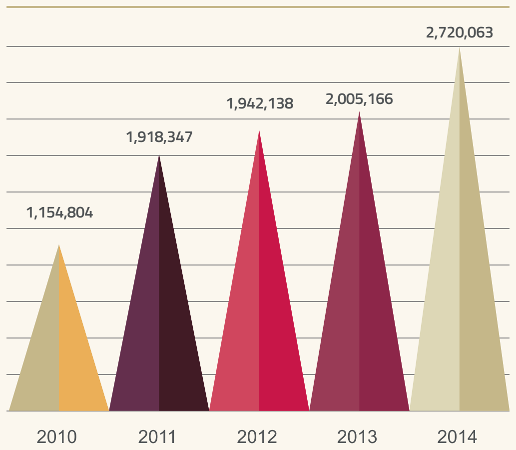
Gross Assets (GBP)



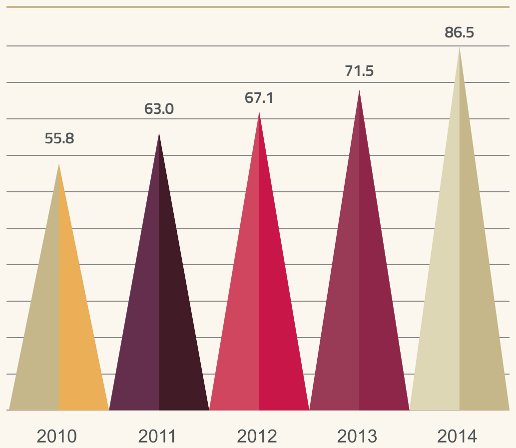
Gross Turnover (GBP)



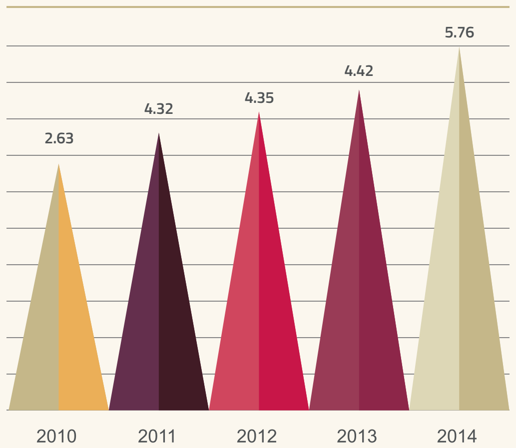
Profit on ordinary activities before taxation (GBP)



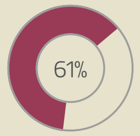
Net Asset value per share (Pence)



Earnings per share (Pence)

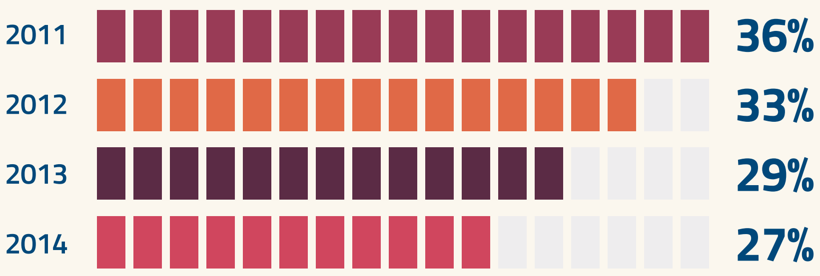


"Profit on ordinary activities before taxation increased by **36%** to **£2.72m** (2013: £2m)"



"**61%** of the group's bank loans have a maturity beyond **five years**"

Debt Level



"Net asset value as at 31 March 2014 improved by **21%** to **86.5p** per share"

Company Fundamentals

The Cygnet portfolio is widely dispersed geographically and between assets across the commercial property asset class, income is also diversified across many tenants and areas of the economy.

Board

- Cygnet has strong governance with independent non-executives to provide impartial guidance and an external check.
- Diverse range of professional capabilities within the board, including banking and finance, accountancy, management and law.
- The family backbone within the company ensures a long term perspective is maintained in decision making

Relationships

- Cygnet has a dedicated team that drives the business ensuring the assets are working, fueling further investment.
- We have a broad and loyal tenant base. Our flexibility in meeting their requirements ensures this.
- We have strong working relationships with external professionals and agents that refer tenants to us.

Gearing

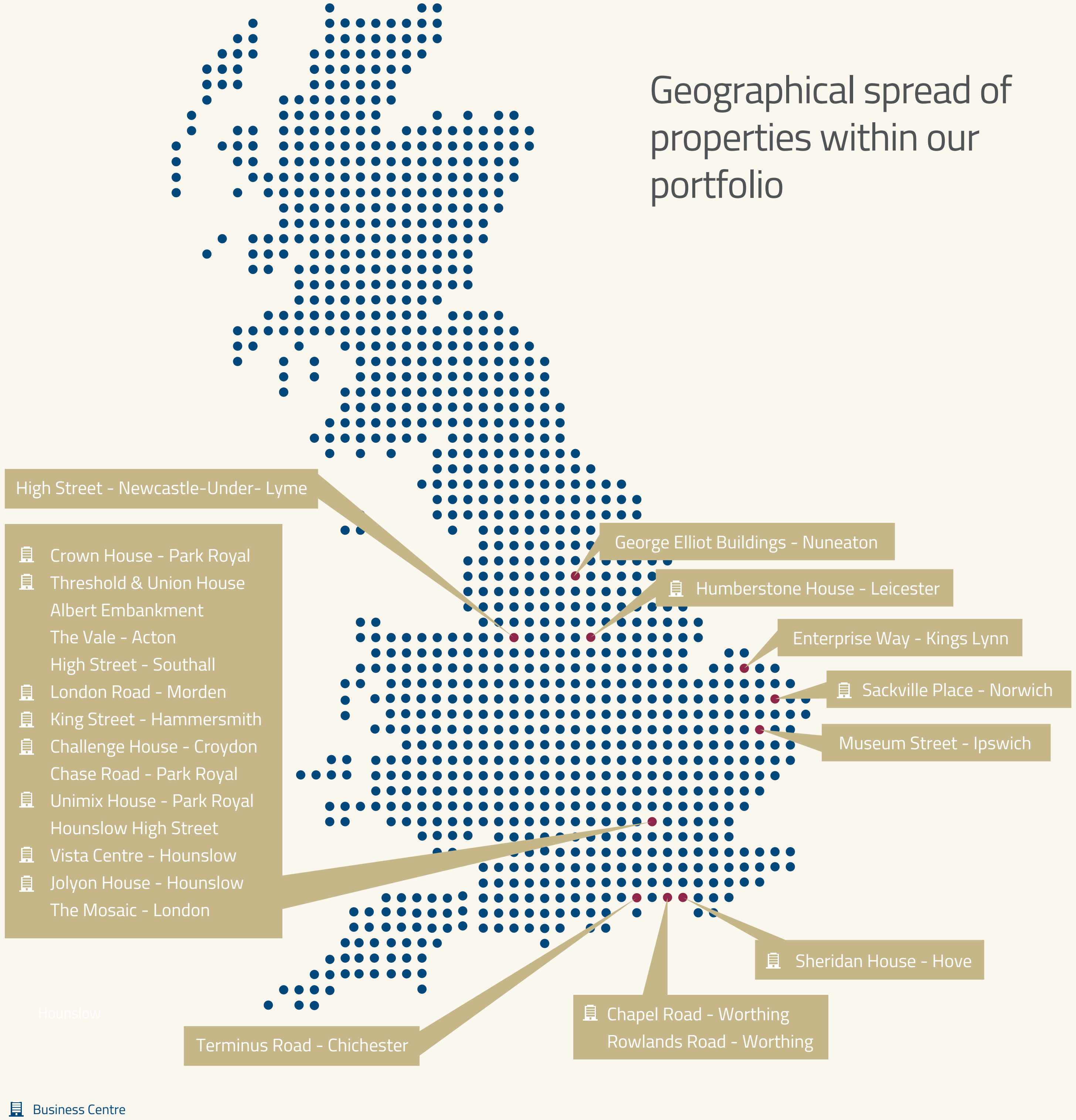
- Cygnet has remarkably low gearing for the sector, only 27%.
- The company has sufficient resources to take up any new opportunity that presents, demonstrated by recent cash acquisitions.
- The company continues to maintain good relations with existing lenders.
- The company has funding support for future investments from existing relationship banks and other financial institutions.

Working together for a greener planet

We are environmentally aware and are constantly exploring ways to save energy such as motion activated lighting and low energy bulbs within our properties. We also regularly purchase second-hand furniture with a view to preserving natural resources and avoiding land-fill and encourage all of our tenants to recycle as much as possible and facilitate wherever appropriate. When selecting contractors and suppliers, we also consider their environmental credentials

Our UK Portfolio

Geographical spread of properties within our portfolio



Information Overview

The Mosaic - Limehouse *5,000 ft*
Museum Street - Ipswich *5,000 ft*
High Street - Newcastle-Under-Lyme *25,000 ft*
High Street - Southall
Humberstone House - Leicester *25,000 ft*

New Acquisitions

600,000

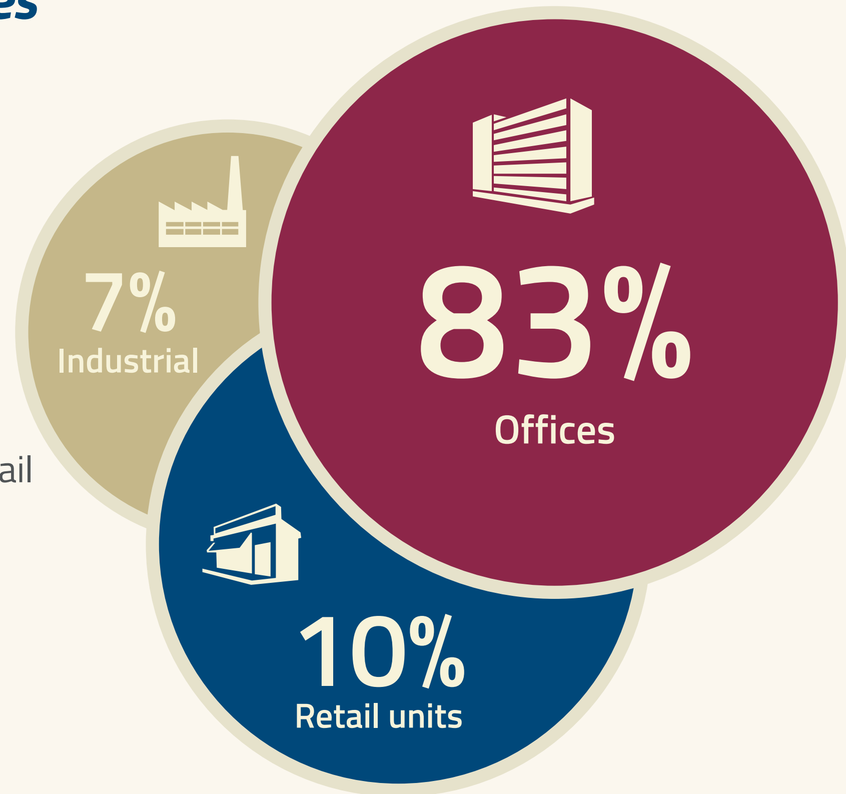
square feet of space and rising

Portfolio occupancy

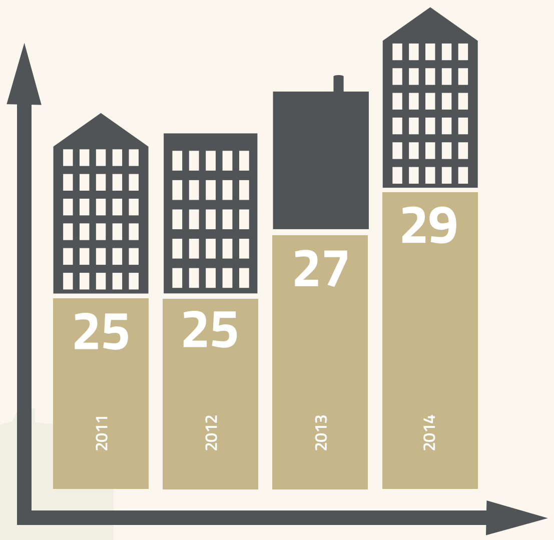
"Another strong performance for the group with improved profits and capital values"

Portfolio Split

Offices, Industrial & Retail



Number of properties



Short term tenancies maximise returns, and diverse income protects against voids.

The company has access to local and international joint-venture partners when larger deals are identified.

Decades of property experience and invaluable experience in the boardroom.

Tenant numbers

29 Properties

690 Tenants

Our Tenants

A cross section of some of our tenants

Threshold & Union House

Shepherds Bush, West London

- Prime freehold located on Shepherd Bush Green, fully let to a mix of SME's
- Adjacent to new 4 Star Deluxe Dorsett Hotel and 2 minutes walk to first class shopping experience of Westfield White City
- Tremendous redevelopment potential in arguably the most improved area of London
- 40,000 sq ft with possibility to add further floors

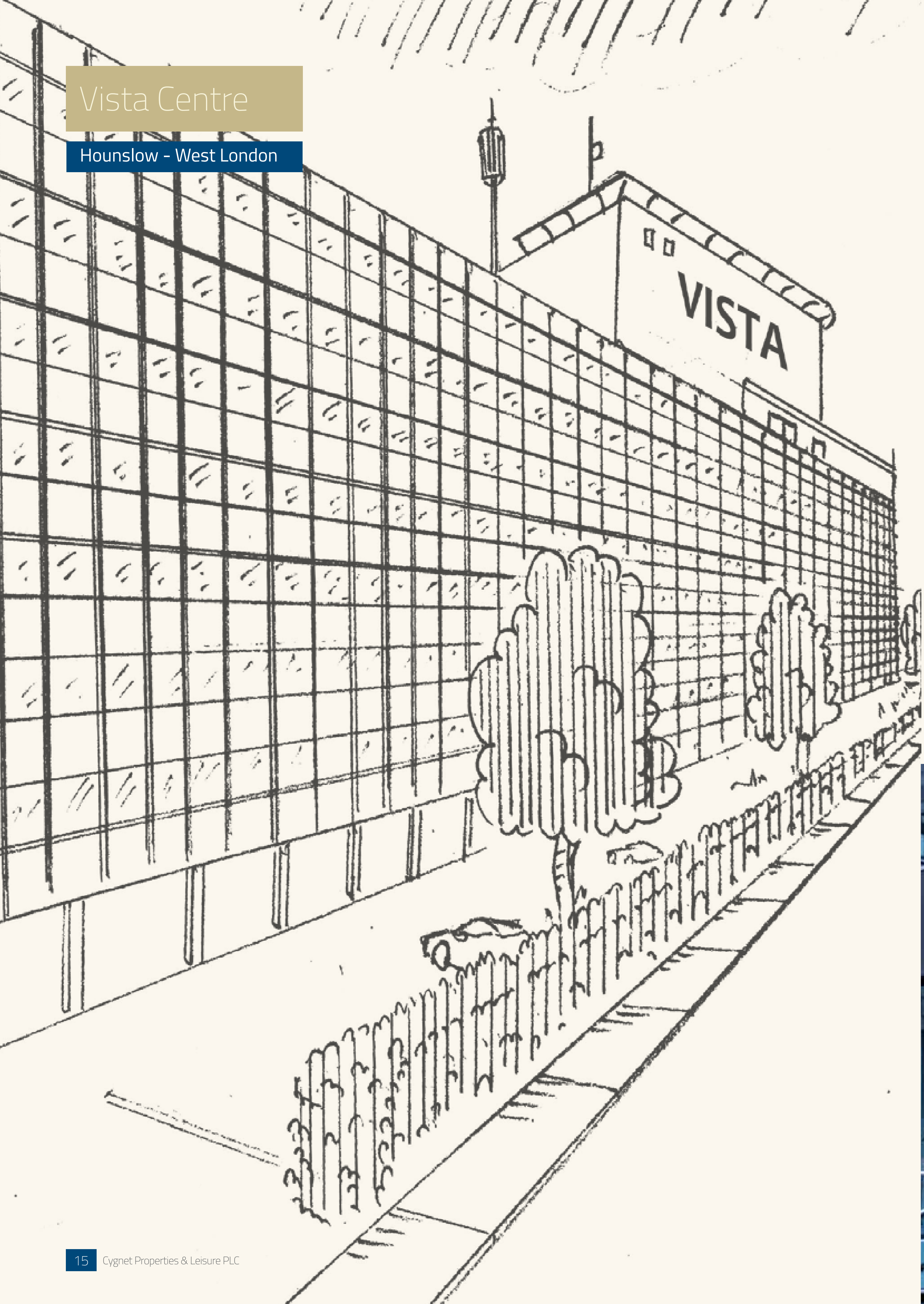
Sheridan House

Brighton & Hove

- Freehold Multi-Let Office Investment in affluent Brighton & Hove
- Substantial uplift in value available through potential conversion to residential
- High demand location, consistently been fully let

Vista Centre

Hounslow - West London



- 100,000+ sq ft freehold office investment with leisure facilities in close proximity to Heathrow, the UK's busiest airport
- Planning permission to convert to 154 apartments
- 3 acres of undeveloped land

Crown House

Park Royal - London

- 60,000 sq ft freehold business centre
- Located strategically on highly visible North Circular Road
- Significant rooftop telecoms income
- Multi let to approximately 100 tenants

Rowlands Road

Worthing

- Fully let parade of shops
- Quality local covenants
- Well established occupants with very low tenant turn over

Humberstone House

Leicester

- Freehold office building currently being refurbished
- Centrally located adjacent to pedestrianised prime retail offering
- Predominantly leased to the national covenant of Intraining

Unimix House

Park Royal

- Freehold 80,000 sq ft showroom, office and residential investment.
- Located on main arterial road into the Park Royal Industrial Estate, the UK's largest industrial and commercial area.
- Substantial on site car parking facility.

Peel House

Morden

- High Street location above Sainsburys supermarket
- Fully occupied, providing cost effective office space predominantly to start up enterprises

Nakivubo Trade Centre

Kampala, Uganda

- Prime commercial location
- Consistent high occupancy
- Tenants include various banks including Barclays

Hounslow High St

Hounslow - West London

- New institutional lease being negotiated with Poundland
- Potential to convert upper floors to residential and add further floors
- High footfall location

King Street

Hammersmith

- Freehold property comprising a mix of retail, office and residential
- Valuable parking facility
- Affluent West London suburb

Sackville Place Business Centre

Norwich

- 25,000sq ft of freehold office space
- Fully refurbished
- Multi-let to local businesses

Jolyon House

Hounslow - West London

- Freehold business centre offering cost effective office accommodation predominantly to start up enterprises
- In close proximity to Heathrow Airport

Chapel Road

Worthing

- Freehold retail and office investment located in prime retail location
- Affluent Sussex town
- Predominantly leased to undoubted covenant of Barclays Bank

The Mosaic - Limehouse

Docklands

- Long leasehold retail and restaurant investment comprising the ground floor commercial space of a St James luxury residential development
- Recently acquired at double digit yield
- Located in close proximity to the commercial centres of The City and Canary Wharf

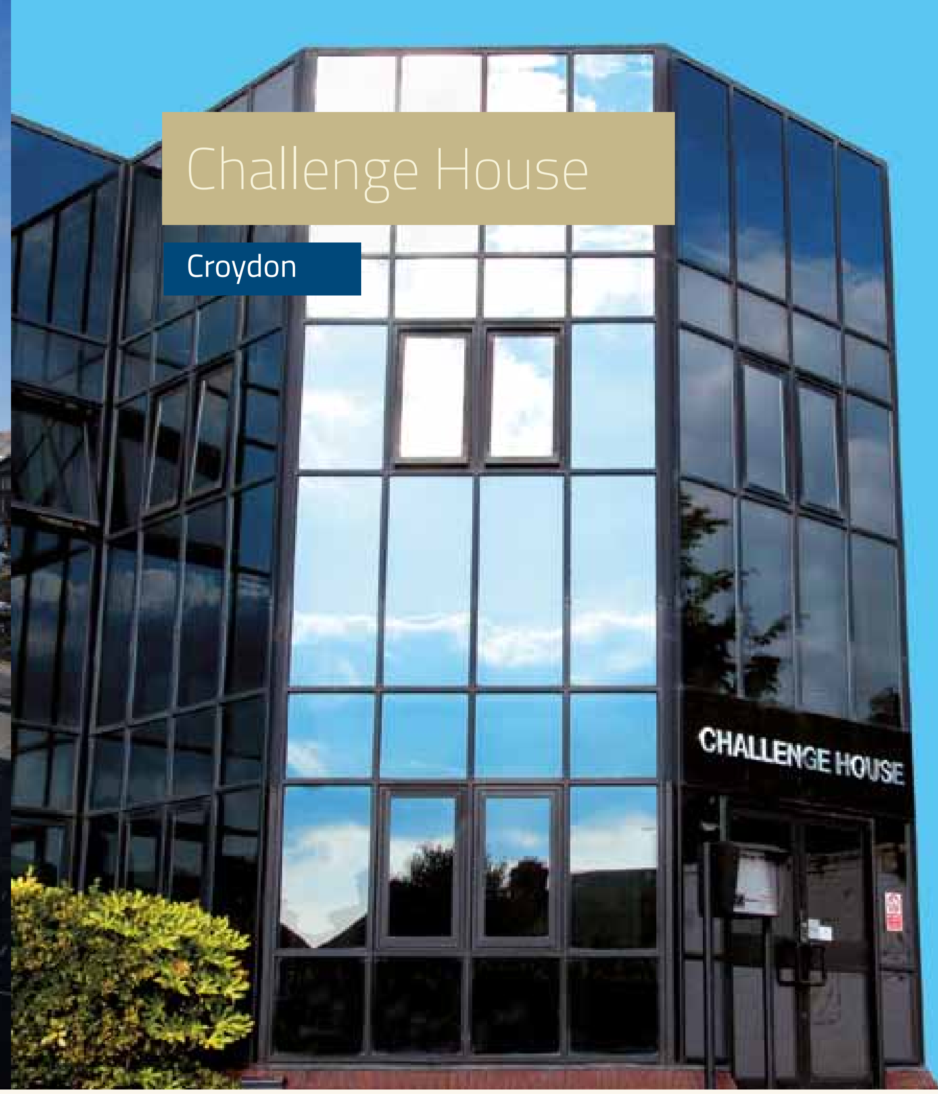
Newcastle-under-Lyme

Staffordshire

- High yielding freehold retail and office investment
- Substantially occupied by the trusted covenants of Barclays Bank, Cash Converters and The Secretary of State for Employment (Trillium)
- Busy High Street location adjacent to town centre market

Challenge House

Croydon



- 40,000 sq ft freehold business centre with substantial parking facility
- Value underpinned by potential residential conversion
- In an area set for substantial improvement due to forthcoming £1 billion redevelopment of Croydon's retail centre by Westfield and Hammerson

Strategic Report

For financial year ended 31st March 2014

Principal activities
The principal activities of the group continued to be that of property acquisitions for investment and trading.

Results and dividends
The group results for the year ended 31 March 2014 are shown on page 33. The directors recommend a final dividend of 0.30 pence per ordinary share (2013: 0.30 pence per share). This is subject to approval by the shareholders at the Annual General Meeting and therefore has not yet been included in these financial statements as a liability.

Group's position at year end
The directors consider that the financial position of the group and the company at the year end was satisfactory. It is a testament to good management that in the current economic climate the group has continued to generate growth in its asset base and increase cash reserves facilitating further acquisitions.

Use of financial instruments
The group does not use any financial instruments except for the bank loans used to purchase properties. Current exposure to the banks in respect of these loans is detailed in note 14 of the financial statements. The total liability to the banks has reduced by £1m over the past year and almost 61% of the group's bank loans have a maturity beyond five years.

Future developments
The group continues to refurbish and improve its existing property portfolio as space becomes vacant and suitable opportunities arise. All investments are careful and measured in the light of tenant demand and the competitive landscape, the priority from the existing portfolio is to maintain steady income. The group is poised to take advantage of opportunities, particularly where there is an undervalued asset that can benefit from the team's key strength of intensively managing vacant and dilapidated property in order to boost asset value. The board remains mindful of the economy and the banks' stringent lending criteria, accordingly it will only proceed with new acquisitions where the right asset is available at the right price. The Board continues to explore the possibilities for a change of use at certain of the sites and we would expect there to be some appreciation in the portfolio from this exercise.

Business review
A review of the business and the results for the year are included within the Chairman's statement.

The key performance indicators for the group include rental income, occupancy levels, net asset value per share, earnings per share and cash flow. During the year, rental income increased by 11% despite a small decline in average occupancy rate to 79% (2013: 81%). Net asset value per share increased by 21% and earnings per share increased by 30% over the last year. The group generated a positive cash flow of £2,345,000 (2013: £92,000) during the year.

Risks and uncertainties
The principal risk and uncertainty facing the group is fluctuation in property values which would affect the net asset value and banking covenants. If there were a decline in our income stream this may prejudice our ability to make payments and also grow the portfolio. Asset values could be affected by constricted availability of bank finance through changes in the regulatory regime or the performance of historic loan books, by over-supply of commercial property in the sales or lettings market, as well as other factors that may exist at present or in the future, given the market conditions. Revenue may be affected by the failure of tenants, increasing bad debts or changes in market rents on account of supply and competition issues or the performance of the economy.

The group's letting profile is typically short term arrangements of one year as this reduces a tenant's barrier to entry and will make an asset cash flow positive in the shortest possible time. Accepting a short commitment on occupancy also avoids the market requirement for a rent free period, which would otherwise be customary. Accordingly the group's tenant base has a bias towards small and medium sized enterprises and this may mean that a decline in the economy has disproportionate effect on the group's revenues although it may also be argued that the recovery of the economy will be driven by SME businesses and that the diversification of revenue streams across many tenants and sectors is a strength. Any fall in revenue would in turn prejudice the capital value of the underlying asset. However, in order to mitigate these risks, the group has broad and diversified asset and tenant bases, particularly in our business centre properties and senior management keep the buildings' occupancy and competitive market under constant scrutiny. The group turnover was generated from an average of approximately 300 tenants during the year which equated to an average annual rental income of £14,300 per tenant. The holding of rent deposits, close monitoring of tenants' operations and strict credit control are mechanisms that should minimise the impact of failure by any individual tenant. A further precautionary measure is the group's frequent syndication of acquisitions giving diversified risk among a wider number of assets which is a strength of the Cygnet portfolio as compared with other companies of a similar size. The company is also thought to have lower gearing than many of its peer group. The Board maintains a risk register to monitor all aspects of the company's activities.

The group operates within strict guidelines for interest cover and gearing which are tested on a regular basis and have always remained at a safe margin from the boundary. The group monitors the risk of interest rate fluctuations closely. With interest rates at historic lows, the Board has recently increased the proportion of the loan portfolio which is fixed. The company has also sought to increase access to credit by diversifying and leveraging its relationships with lending banks and institutions. Furthermore, the group remains conservative in its appetite for debt ensuring that even in the current market there is ample equity in the portfolio to satisfy all lender covenants.

Going concern
After making appropriate enquiries and examining those areas which could give rise to financial exposure the directors are satisfied that no material or significant exposures exist and that the group has adequate resources to continue its operations for the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the company's and group's financial statements. Further information on the reasons for adopting the going concern basis in preparing the financial statements is set out in note 1.1 to the financial statements.

Properties
The changes in the tangible fixed assets of the group and company and the basis of valuation of properties are set out in note 9 to the financial statements.

J S Kalsi
Secretary

22 August 2014

Director's Report

For financial year ended 31st March 2014

The directors present their annual report and financial statements of the group and the company for the year ended 31 March 2014.

Charitable donations
During the year to 31 March 2014 the group made charitable donations amounting to £11,417 (2013: £8,235).

Directors
The following directors held office during the year:

Nazmu Virani
Rahim Virani
Zul Virani
Shaila Virani
Karim Virani
Robert Towers (appointed 4th July 2013)
J Fraser Livingston (resigned 12th December 2013)

Directors' interests
The directors had no interests in the shares of the company or the company's subsidiary companies at 31 March 2014 or on the date on which these financial statements were signed.

There have been no changes in the interests of the directors between 31 March 2014 and the date of approval of this report.

Further details of the ordinary shares of the company are set out in note 16 to the financial statements.

Substantial shareholdings
As at 31 March 2014, the directors are aware of the following substantial interests in 3% or more of the ordinary share capital of the company:

ORDINARY SHARES OF 10P EACH		
	NUMBER	PERCENTAGE
Virani Net Limited*	19,569,577	69.5%
Virani Net Scheme*	5,881,862	20.9%
Dame M. E. Thomas	1,000,000	3.6%

* Companies in which some of the directors have beneficial interests.

over **700** tenants contributing towards the group's revenue across our property portfolio

Director's Report

For financial year ended 31st March 2014

Creditor payment policy
It is the group's policy to agree the terms and conditions under which business transactions with its suppliers are conducted. Payments to suppliers are made in accordance with these terms or shortly thereafter, provided the supplier is also complying with all relevant terms and conditions. The average creditor settlement period for the year ended 31 March 2014 was 30 days (2013: 37 days).

Employees
The directors are committed to maintaining a working environment where employees are individually valued and recognised. Employees receive regular supervision and have opportunities to raise concerns, share ideas and propose new policies for the business.

The directors appreciate their responsibility to encourage and assist in the engagement, training, promotion and personal career development of all employees. The group places value on the involvement of its employees and keeps them informed, not only on matters affecting them as employees, but also on various factors affecting the overall performance and future of the group. This is achieved through both formal and informal meetings as well as an open door policy should any employee have queries that they wish to discuss.

The group is an equal opportunities employer and it is the group's policy to consider applications for employment from all candidates, and to provide training, career progression and promotion as and when warranted.

Statement of responsibilities of those charged with governance
The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors confirm that the financial statements comply with the above requirements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the auditors
So far as all of the directors at the time of approval of the report are aware:

1. there is no relevant audit information of which the company's auditors are unaware; and
2. each director has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
In accordance with Section 485 of the Companies Act 2006, a resolution proposing that UHY Hacker Young be re-appointed as auditors of the company and that the directors be authorised to fix their remuneration will be put to the next Annual General Meeting.

By order of the Board

J S Kalsi
Secretary

22 August 2014

Independent Auditors' Report

to the members of Cygnet Properties & Leisure PLC

We have audited the financial statements of Cygnet Properties and Leisure Plc on pages 33 to 58 for the year ended 31 March 2014. 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 of Statement of responsibilities of those charged with governance set out in the directors' report, 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 the financial statements in accordance with relevant 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
A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's and group's affairs as at 31 March 2014 and of the group's 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 Strategic Report and the Directors' Report 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.

Colin Wright (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young
Chartered Accountants
Statutory Auditor

22 August 2014

UHY Hacker Young
Chartered Accountants

Quadrant House,
4 Thomas More Square,
London, E1W 1YW

Consolidated Profit & Loss Account

For financial year ended 31st March 2014

CONSOLIDATED PROFIT & LOSS ACCOUNT		2014	2013
	Notes	£	£
Turnover			
Group and share of joint venture turnover	2	4,703,185	4,281,273
Less: Share of joint venture turnover		(404,474)	(401,175)
Group turnover		4,298,711	3,880,098
Other income		311,999	47,388
Property costs		(952,350)	(1,291,329)
Administrative expenses		(946,600)	(668,228)
Group operating profit	3	2,711,760	1,967,929
Share of operating profit of:			
Joint venture	11	98,605	243,881
Associated Companies	10	434,222	402,182
Operating profit including joint venture and associates		3,244,587	2,613,992
Interest receivable	4	46,782	39,060
Interest payable	5	(571,306)	(647,886)
Profit on ordinary activities before taxation		2,720,063	2,005,166
Taxation	6	(750,588)	(438,982)
Profit on ordinary activities after taxation		1,969,475	1,566,184
Minority interests - equity	19	(348,532)	(322,102)
Retained profit for the financial year		**1,620,943**	**1,244,082**

All of the above results are derived from continuing operations.

Consolidated Statement of Total Recognised Gains & Losses and Note of Historical Cost Profits & Losses

For financial year ended 31st March 2014

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES	2014	2013
	£	£
Retained profit for the year	1,620,943	1,244,082
Share of surplus/(deficit) on revaluation of investment properties:		
- owned properties	2,246,718	1,221,162
- associated companies (note 10)	268,116	(268,115)
- allocation to minority interests	172,419	(876,371)
Total recognised gains relating to the year	**4,308,196**	**1,320,758**

CONSOLIDATED NOTE OF HISTORICAL COST PROFITS AND LOSSES	2014	2013
	£	£
Reported profit on ordinary activities before taxation	2,720,063	2,005,166
Realisation of property revaluation gains	881,165	-
Historical cost profit on ordinary activities before taxation	3,601,228	2,005,166
Taxation	(750,588)	(438,982)
Minority interests – equity	(348,532)	(322,102)
Historical cost profit for the year retained after taxation	**2,502,108**	**1,244,082**

Consolidated Balance Sheet

As at 31st March 2014

CONSOLIDATED BALANCE SHEET			2014		2013
	Notes	£	£	£	£
Fixed assets					
Intangible assets - negative goodwill	8		(276,338)		(293,122)
Tangible assets	9		43,276,627		42,433,572
Investments in associated companies	10		3,933,467		3,321,367
Investment in joint ventures:	11				
Share of gross assets		1,238,895		1,293,307	
Share of gross liabilities		(83,406)		(79,996)	
			1,155,489		1,213,311
			48,089,245		46,675,128
Current assets					
Debtors	12	506,440		445,829	
Cash at bank and in hand		3,197,883		1,449,927	
		3,704,323		1,895,756	
Creditors:					
Amounts falling due within one year	13	(7,570,674)		(7,622,789)	
Net current liabilities			(3,866,351)		(5,727,033)
Total assets less current liabilities			44,222,894		40,948,095
Creditors:					
Amounts falling due after more than one year	14		(14,032,297)		(15,073,235)
Provision for liabilities and charges	15		(422,217)		(396,233)
Minority interests	19		(5,430,122)		(5,364,109)
Net assets			24,338,258		20,114,518
Capital and reserves					
Called up share capital	16		2,815,199		2,815,199
Share premium account	17		1,924,769		1,924,769
Revaluation reserve	17		9,352,709		7,546,621
Capital redemption reserve	17		822,831		822,831
Profit and loss account	17		9,422,750		7,005,098
Shareholders' funds - equity interests	18		24,338,258		20,114,518

The financial statements were approved by the Board on 22 August 2014.
Rahim Virani, Managing Director
Company No. 03325149

Company Balance Sheet

As at 31st March 2014

COMPANY BALANCE SHEET			2014		2013
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		145,984		147,159
Investments in associated and subsidiary undertakings	10		11,644,779		11,411,407
Investments in joint ventures	11		145,133		181,533
			11,935,896		11,740,099
Current assets					
Debtors	12	123,068		88,865	
Cash at bank and in hand		948,911		667,992	
		1,071,979		756,857	
Creditors:					
amounts falling due within one year	13	(3,487,989)		(4,019,080)	
Net current liabilities			(2,416,010)		(3,262,223)
Total assets less current liabilities			9,519,886		8,477,876
Creditors: amounts falling due after more than one year	14		(1,424,591)		(1,454,932)
Provisions for liabilities and charges	15		(1,360)		(1,530)
			8,093,935		7,021,414
Capital and reserves					
Called up share capital	16		2,815,199		2,815,199
Share premium account	17		1,924,769		1,924,769
Capital redemption reserve	17		822,831		822,831
Profit and loss account	17		2,531,136		1,458,615
Shareholders' funds			8,093,935		7,021,414

The financial statements were approved by the Board on 22 August 2014.
Rahim Virani, Managing Director
Company No. 03325149

Consolidated Cash Flow Statement

For financial year ended 31st March 2014

CONSOLIDATED CASH FLOW STATEMENT		2014		2013	
	Notes	£	£	£	£
Net cash inflow from operating activities	20		2,899,542		2,740,552
Returns on investments and servicing of finance					
Interest received		31,005		32,000	
Interest paid		(327,503)		(363,567)	
Dividend from associated companies		697,483		-	
Dividends paid		(83,179)		(83,185)	
Dividends paid to minority intrest		(110,100)		-	
Net cash Inflow / (outflow) from returns on investments and servicing of finance			207,706		(414,752)
Corporation tax paid			(167,837)		(423,716)
			2,939,411		1,902,084
Capital expenditure					
Purchase and refurbishment of properties		(393,081)		(1,517,204)	
Purchase of other tangible fixed assets		(40,000)		(18,000)	
Proceeds on sale of properties		1,807,790		110,249	
Net cash Inflow / (outflow) from capital expenditure			1,374,709		(1,424,955)
Acquisitions and disposals					
Acquisition of subsidiary, net of cash received		-		(310,793)	
Net cash outflow from acquisitions and disposals			-		(310,793)
Net cash inflow before management of liquid resources and financing			4,314,120		166,336
Financing					
Repayment of bank loans		(1,036,534)		(811,030)	
Loans granted to associated companies (net)		(922,085)		(41,289)	
Receipt of loans from related parties		443,108		252,077	
(Repayment)/ receipt of other loans		(453,737)		525,724	
Net cash outflow from financing			(1,969,248)		(74,518)
Increase in cash	22		2,344,872		91,818

Notes To The Financial Statements

For financial year ended 31st March 2014

1. Accounting policies

The significant accounting policies which have been consistently applied in preparing the financial statements are as follows:

1.1 Basis of preparation

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, and in accordance with applicable accounting standards.

Going concern

The company and group are financed partly by equity and partly by way of banking facilities. The group is therefore dependent upon its bankers and shareholders for continuing financial support. At 31 March 2014, the group's current liabilities exceeded its current assets by £3.9 million (2013: £5.7 million).

In accordance with their responsibilities, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements. For this purpose, they have prepared projected cash flow information for the current financial year and part of the following financial year, covering the period to September 2015, being approximately 17 months from the date of approval of these financial statements. In addition, the directors are not aware of any likely events, conditions or business risks beyond this period that may cast significant doubt on the group's ability to continue as a going concern. They have also considered the market values of the group's properties, the financial support of its bankers and the continuation of available banking facilities in the current economic climate. On the basis of this, the directors have reasonable expectations that the group has adequate resources to continue in operational existence for the foreseeable future and are satisfied. For this reason, they continue to adopt the going concern basis in preparing these financial statements.

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary companies and have been prepared by using the principles of acquisition accounting. The results of any subsidiaries acquired during the year are included in the consolidated profit and loss account from the date of their acquisition. Intra-group sales, profits and balances are eliminated fully on consolidation.

1.3 Joint ventures

Interests in joint ventures are accounted for using the gross equity method, as required by Financial Reporting Standard 9 "Associates and Joint Ventures" ("FRS 9"). The group's share of the gross assets and gross liabilities of its joint ventures are disclosed in the group balance sheet. The group's share of joint venture operating profit, net interest payable and taxation are included in the consolidated profit and loss account.

1.4 Associated Companies

Companies, other than subsidiary companies, in which the group has an investment and over which it exerts significant influence but does not control, are treated as associated companies.

As required by FRS 9, the group's share of profits less losses of the associated companies is included in the consolidated profit and loss account, and the group's share of its net assets or liabilities is included in the consolidated balance sheet. These amounts are primarily taken from the latest audited financial statements of the companies concerned, which have the same accounting reference date.

1.5 Goodwill

Goodwill is the difference between the amount paid on the acquisition of a subsidiary and the aggregate fair value of its separable net assets. Goodwill is capitalised as an intangible fixed asset and is amortised in equal annual instalments over its estimated useful economic life. A further charge is made for any impairment in the value of goodwill. If a subsidiary undertaking is subsequently sold, any goodwill arising on acquisition that has not been amortised through the profit and loss account is taken into account in determining the profit or loss on sale.

1.6 Turnover and profit recognition

Turnover represents amounts receivable from gross rents charged to tenants and the invoice value of other goods and services supplied, net of value added tax. Rental income is recognised once space is provided to tenants.

Purchases and sales of properties are accounted for on completion of contracts.

1.7 Tangible fixed assets and depreciation

Investment properties

Investment properties are stated at their open market value on an existing use basis. Any surplus or deficit arising on valuation is transferred to the revaluation reserve, except for those deficits expected to be permanent, which are charged to the profit and loss account.

Depreciation is provided only on those investment properties that are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable standard, SSAP 19, 'Accounting for Investment Properties', it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the financial information to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount in respect of this which might otherwise have been shown cannot be separately identified or quantified.

Notes To The Financial Statements

For financial year ended 31st March 2014

Other tangible fixed assets

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

Plant and machinery	25%
Fixtures & fittings	25%
Motor vehicles	25%

1.8 Refurbishment expenditure

Refurbishment expenditure in respect of major works is capitalised. Interest and other directly attributable costs incurred during the period of refurbishment are capitalised until the property is substantially ready for letting. Maintenance and refurbishment expenditure of a revenue nature is written off to the profit and loss account as incurred.

1.9 Impairment of value

The group undertakes a review for impairment of a fixed asset if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. To the extent that the carrying amount exceeds the recoverable amount, that is a higher of net realisable value and value in use, the fixed asset is written down to its recoverable amount. The value in use is determined from estimated discounted future net cash flows.

1.10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are only recognised when that asset is regarded as recoverable. No provision is made for deferred tax on gains recognised on revaluing properties to their market values unless the company has a binding contract, at the balance sheet date, to sell the revalued assets.

1.11 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

1.12 Fixed asset investments

The company's fixed asset investments in subsidiary and associated companies are stated at cost less any provisions for impairments.

2. Turnover and segmental information

The total turnover for the year has been derived in the United Kingdom for the group and in Uganda for the joint venture and from the principal activities as follows:

PROPERTY INVESTMENT AND LETTINGS	2014	2013
	£	£
Group	4,298,711	3,880,098
Joint venture	404,474	401,175
	4,703,185	4,281,273

Operating profit before tax and minority interests of the group by principal activities, was as follows:

PROPERTY INVESTMENT AND LETTINGS	2014	2013
	£	£
United Kingdom	3,145,982	2,370,111
Uganda	98,605	243,881
	3,244,587	2,613,992

Net assets of the group, its joint venture and associated companies by principal activities were as follows:

PROPERTY INVESTMENT AND LETTINGS	2014	2013
	£	£
United Kingdom	23,171,673	18,901,207
Uganda	1,155,489	1,176,911
Germany	-	36,400
	24,327,162	20,114,518

Notes To The Financial Statements

For financial year ended 31st March 2014

3 Group operating profit

	2014	2013
Group operating profit is stated after charging/(crediting):	£	£
Depreciation of tangible fixed assets (note 9)	9,408	12,545
Amortisation of goodwill - net credit (note 8)	16,784	(7,979)
Impairment of goodwill and associate	-	38,871
Auditors' remuneration - group audit fees	46,800	45,800
- non-audit services	10,000	10,000
Operating lease rentals	2,862	2,096
Exchange loss / (gain)	5,654	(3,071)

The group audit fees consists of £36,000 (2014: £35,000) payable to the parent company auditors and £10,800 (2013: £10,800) payable to another firm of auditors who audit some of the company's subsidiaries. Non-audit services relate entirely to tax services payable to the parent company auditors.

4 Interest receivable

	2014	2013
Company and subsidiaries:	£	£
- bank interest received	29,686	25,906
Associated companies:		
- share of bank interest received (note 10)	15,779	7,060
Other interest	1,317	6,094
	46,782	39,060

5 Interest payable

	2014	2013
Company & subsidiaries:	£	£
On bank overdrafts	2,437	17,772
On bank loans repayable after five years	323,635	343,004
On overdue tax	1,430	2,791
	327,502	363,567
Associated companies - share of bank loan interest (note 10)	243,804	284,319
	571,306	647,886

6 Taxation

The tax charge comprises:

	2014	2013
Current year taxation	£	£
UK corporation tax on profits for the year	541,945	316,131
Adjustments for previous periods - UK	(23,129)	(64,344)
Adjustments for previous periods – Uganda (note 11)	51,650	-
	570,466	251,787
Share of joint venture's tax (overseas tax) (note 11)	68,377	32,500
Share of associated companies' corporation tax charge (note 10)	86,481	16,994
Total current tax charge	725,324	301,281
Deferred tax		
Deferred tax charge – group (note 12 & 15)	25,264	137,701
Tax charge on profit on ordinary activities	750,588	438,982

The tax charge for the year is reconciled as follows:

	2014	2013
	£	£
Profit on ordinary activities before tax	2,720,063	2,005,166
Profit on ordinary activities before tax multiplied by the standard		
rate of corporation tax in the UK of 23% (2013: 24%)	625,614	481,240
Effects of:		
Expenses not deductible for tax purposes	57,430	(6,852)
Depreciation, impairment and amortisation	6,654	8,129
Capital allowances	(91,886)	(47,468)
Utilisation of tax losses	(68,084)	(43,312)
Adjustments to tax charge in respect of previous periods	28,521	(64,344)
Other tax adjustments	31,752	(26,112)
Chargeable disposals	135,323	-
Total current tax charge	725,324	301,281

Notes To The Financial Statements

For financial year ended 31st March 2014

7 Profit attributable to members of the parent company

As permitted by Section 408 of the Companies Act 2006, the parent company has not presented its own profit and loss account. The profit on ordinary activities after taxation included in the financial statements of the parent company for the year ended 31 March 2014 is £1,156,977 (2014: loss of £164,008).

8 Intangible fixed assets

GROUP	NEGATIVE GOODWILL	POSITIVE GOODWILL	TOTAL
	£	£	£
Cost			
At 1 April 2013	(335,714)	51,371	(284,343)
Additions	-	-	-
At 31 March 2014	(335,714)	51,371	(284,343)
Amortisation			
At 1 April 2013	42,592	(51,371)	(8,779)
Amortisation credit/(charge)	16,784	-	16,784
At 31 March 2014	59,376	(51,371)	8,005
Net book value			
At 31 March 2014	(276,338)	-	(276,338)
At 31 March 2013	(293,122)	-	(293,122)

Negative goodwill arose in prior years from the dilution of minority interests on the acquisition of a further 10% interest in Spyce Properties Limited and the acquisition of the remaining 66.6% of share capital in Mayfield Estates Limited. The addition during the prior year of £113,788 arose on the acquisition of the remaining 50% of Alankar Properties Limited which was a 50% associate of the group and subsequently became a 100% subsidiary.

Positive goodwill is being amortised and negative goodwill is being released to the profit and loss account over the directors' estimate of their useful economic lives of 20 years.

9 Tangible fixed assets

GROUP	INVESTMENT PROPERTIES	PLANT AND MACHINERY	FIXTURES & FITTINGS	TOTAL
	£	£	£	£
Cost or valuation				
At 1 April 2013	42,395,934	26,889	338,045	42,760,868
Additions	433,081	-	-	433,081
Revaluations	2,246,718	-	-	2,246,718
Disposals	(1,825,649)	-	(3,000)	(1,828,649)
At 31 March 2014	43,250,084	26,889	335,045	43,612,018
Depreciation				
At 1 April 2013	-	26,328	300,968	327,296
Charge for the year	-	140	9,268	9,408
On disposals	-	-	(1,313)	(1,313)
At 31 March 2014	-	26,468	308,923	335,391
Net book value				
At 31 March 2014	43,250,084	421	26,122	43,276,627
At 31 March 2013	42,395,934	561	37,077	42,433,572

The group purchased one investment property during the period ended 31 March 2014, at a cost of £0.4 million. The remaining additions in the period relate to capitalised improvements on existing group investment properties. The group owned fifteen freehold investment properties and one leasehold investment properties at 31 March 2014.

The total amount of loan interest and directly attributable overhead expenditure capitalised in the properties' costs to date is £647,251 (2013: £647,251) and £299,361 (2013: £299,361) respectively. No interest or overhead expenditure has been capitalised during the year.

The investment properties are valued on an open market basis as at 31 March 2014 by the directors. The directors' valuations have been made after taking into account external valuations which were carried out by an independent professional valuer for some of the group's properties during the year.

Accordingly, in the directors' opinion, the carrying values of the group's properties as at 31 March 2014 which are based on the directors' valuation are not significantly different from the open market values of those properties as at that date.

Notes To The Financial Statements

For financial year ended 31st March 2014

9 Tangible fixed assets (continued)

COMPANY	FREEHOLD INVESTMENT PROPERTIES	FIXTURES & FITTINGS	TOTAL
	£	£	£
Cost			
At 1 April 2013	142,460	68,648	211,108
At 31 March 2014	142,460	68,648	211,108
Depreciation			
At 1 April 2013	-	63,949	63,949
Charge for the year	-	1,175	1,175
At 31 March 2014	-	65,124	65,124
Net book value			
At 31 March 2014	142,460	3,524	145,984
At 31 March 2013	142,460	4,699	147,159

No fixed assets were held under finance leases or hire purchase contracts by the group or the company.

10 Fixed asset investments

The group's investments in associated companies at 31 March 2012 were as follows:

GROUP	ASSOCIATED COMPANIES
	£
Shares	
Cost at 1 April 2013	4,890
Disposal	(334)
At 31 March 2014	4,556
Loans	
At 1 April 2013	2,316,628
Loans issued in year (net)	922,085
At 31 March 2014	3,238,713
Share of retained profits	
At 1 April 2013	525,294
Net share of profit for the year (see below)	119,716
Dividend received from the associates	(697,483)
Transfer from revaluation reserves on the disposal of an investment property	469,246
At 31 March 2014	416,773
Share of revaluation of associated companies' properties	
At 1 April 2013	474,555
Share of profit on revaluations of associated companies' properties in year (note 17)	268,116
Transfer to retained profit on disposal of an investment property	(469,246)
At 31 March 2014	273,425
Net book value	
At 31 March 2014	3,933,467
At 31 March 2013	3,321,367

Notes To The Financial Statements

For financial year ended 31st March 2014

10. Fixed asset investments (continued)

The company's investments in subsidiary and associated companies at 31 March 2014 were as follows:

COMPANY	ASSOCIATED COMPANIES	SUBSIDIARY COMPANIES	TOTAL
	£	£	£
Shares			
1 April 2013	4,890	1,774,477	1,779,367
Additions	-	2	2
Disposal	(334)	-	(334)
At 31 March 2014	4,556	1,774,479	1,779,035
Loans			
At 1 April 2013	2,316,629	7,315,411	9,632,040
Granted in year (net)	922,085	-	922,085
Repayment in year	-	(688,381)	(688,381)
At 31 March 2014	3,238,714	6,627,030	9,865,744
Net book value			
At 31 March 2014	3,243,270	8,401,509	11,644,779
At 31 March 2013	2,321,519	9,089,888	11,411,407

10 Fixed asset investments (continued)

The company's subsidiary and associated companies as at 31 March 2014 were as follows:

SUBSIDIARY COMPANIES	PRINCIPAL ACTIVITY	% OF ORDINARY SHARE CAPITAL HELD
Main Developments Limited	Property investment	100%
Dartbank Limited	Property investment	100%
Crownprize (Brentford) Limited	Dormant	100%
New Enterprise Limited	Property investment	100%
Storey's Gate Property Limited	Property investment	100%
Zone Estates Limited	Property investment	100%
Myriad Estates Limited	Dormant	100%
Steelgate Limited	Property investment	100%
Acre Homes Limited	Property investment	100%
Mayfield Estates Limited	Property investment	100%
C & A Engineering Limited	Property Investment	100%
Sunnyvale Properties Limited	Property investment	100%
Finetech Limited	Property investment	100%
Alankar Properties Limited	Property investment	100%
Ipswich Properties Limited	Property investment	100%
Parkview Basingstoke Properties Ltd	Property investment	100%
Dynamo Estates Ltd	Dormant	100%
Mosaic Docklands Ltd	Dormant	100%
Unimix Properties Limited	Property investment	50%
Willowland Limited	Property investment	50%
Spyce Properties Limited	Property investment	40%

ASSOCIATED COMPANIES	PRINCIPAL ACTIVITY	% OF ORDINARY SHARE CAPITAL HELD
Fenton Estates Limited	Property investment	33.4%
Wise Developments Limited	Property investment	25%
Vista Property Investments Limited	Property investment	30.3%
Secured Properties Limited	Property investment	50%
Morden Properties Limited	Property investment	22%
Cygnet Properties & Leisure (Europe) Limited	Property investment	25%
Hounslow Real Estates Limited	Property investment	25%

All of the above companies were incorporated in England except for Dartbank Limited which was incorporated in the Isle of Man and registered at the Registrar of Companies in England and Wales as an overseas branch.

Spyce Properties Limited, Unimix Properties Limited and Willowland Limited have been treated as subsidiaries on the grounds that Cygnet controls the financial and operating policies of these companies with a view to gaining economic benefits from its activities.

Notes To The Financial Statements

For financial year ended 31st March 2014

10 Fixed asset investments (continued)

The group's share of the net assets of the seven associated companies as at 31 March 2014 are shown under investments in the consolidated balance sheet, and comprised:

	£	£
Share of assets:		
Share of fixed assets	7,361,851	
Share of current assets	1,202,843	
		8,564,694
Share of liabilities:		
Due within one year	(1,315,599)	
Due after more than one year	(6,552,811)	
		(7,868,410)
		696,284
Loans to associates		3,238,713
Goodwill arising on acquisition		(1,530)
Share of net assets representing the group's carrying value of investments in associated companies (see above)		3,933,467

Goodwill comprises investment of £250 and pre-acquisition net assets of £1,780 in respect of Vista Property Investments Limited.

The group's share of the results of the seven associated companies for the year ended 31 March 2014 were as follows:

	£
Share of turnover	999,459
Share of operating profits	434,222
Share of interest receivable (note 4)	15,779
Share of interest payable (note 5)	(243,804)
Share of current and deferred taxation (note 6)	(86,481)
Share of profits for the year	119,716

11 Investments in joint ventures

The group's investments in joint ventures at 31 March 2014 were as follows:

GROUP	2014	2013
	£	£
Uganda (note i)	1,155,489	1,176,911
Germany (note ii)	-	36,400
	1,155,489	1,213,311

COMPANY	2014	2013
	£	£
Uganda (note i)	145,133	145,133
Germany (note ii)	-	36,400
	145,133	181,533

(i) Uganda

The company has a 50% interest in a property with Nadims Limited, a company registered in Uganda and connected with the shareholders of the company. The property is known as Nakivubo Mall and it is situated at 34-38 Nakivubo Road, Kampala, Uganda. The interest in the property is held by a contractual arrangement through a memorandum of understanding agreed between the company and Nadims Limited. Under the contractual arrangement the investors together control the activities of the property which is a separate business in its own right.

	GROUP	COMPANY
	£	£
At 1 April 2013	1,176,911	145,133
Share of loss for the year (see below)	(21,422)	-
At 31 March 2014	1,155,489	145,133

11 Investments in joint ventures (continued)

The group's share of net profits and net assets of the Uganda joint venture as at 31 March 2014 are shown under investment in joint venture in the consolidated balance sheet and comprise:

	£
Share of turnover	404,474
Share of net profit:	
Share of operating profit	246,066
Movement on foreign exchange	(147,461)
Net share of operating profit	98,605
Share of taxation (note 6) - current year	(68,377)
Share of taxation (note 6) – previous year	(51,650)
	(21,422)
Share of net assets:	
Share of assets	1,238,895
Share of liabilities - due within one year	(83,406)
	1,155,489

(ii) Germany

In 2007, the company acquired a 50% interest in three properties jointly with Mr Liaqat Malik, in Germany, for a total consideration of €105,470. As at the balance sheet date, these properties were held for refurbishment prior to being let. Due to a lack of progress on developing the properties the balance has been impaired in full during the year.

	GROUP	COMPANY
	£	£
At 1 April 2013	36,400	36,400
Impairment	(36,400)	(36,400)
At 31 March 2014	-	-

12 Debtors

	2014	2013	2014	2013
	Group	Group	Company	Company
	£	£	£	£
Trade debtors	339,299	323,422	1,195	1,195
Other debtors	88,372	57,000	54,962	30,465
Prepayments	78,049	65,407	66,911	57,205
Deferred tax	720	-	-	-
	506,440	445,829	123,068	88,865

13 Creditors: amounts falling due within one year

	2014	2013	2014	2013
	Group	Group	Company	Company
	£	£	£	£
Bank overdrafts (note below)	-	596,916	-	575,914
Bank loans (note 14)	886,476	885,859	30,545	30,046
Trade creditors	1,716,743	1,839,728	5,022	4,856
Other creditors	2,519,018	2,141,282	1,144,357	1,260,054
Other taxes and social security costs	170,804	288,728	310	6,188
Corporation tax payable	623,540	272,562	-	-
Amounts due to subsidiary undertakings	-	-	2,092,428	1,920,830
Accruals and deferred income	1,522,834	1,460,890	84,068	84,368
Dividends payable	16,636	15,359	16,636	15,359
Amounts owed to related parties	114,623	121,465	114,623	121,465
	7,570,674	7,622,789	3,487,989	4,019,080

The bank overdrafts are secured on the fixed deposit account.

Amounts owed to related parties at 31 March 2014 include £114,623 (2013: £114,623) due to Virani Net Scheme. These loans are interest free.

14 Creditors: amounts falling due after more than one year

	2014	2013	2014	2013
	Group	Group	Company	Company
	£	£	£	£
Amount due to related parties	3,159,136	3,159,136	1,053,805	1,053,805
Bank loans (note below)	10,576,199	11,613,350	370,786	401,127
Other loans	296,962	300,749	-	-
	14,032,297	15,073,235	1,424,591	1,454,932
Bank loans maturity analysis				
Repayable within one year	886,476	886,530	30,545	30,046
Repayable between one and two years	904,079	902,959	31,048	30,538
Repayable between two and five years	2,694,263	2,815,487	96,247	94,646
Repayable in more than five years	6,977,857	7,894,233	243,491	275,943
Total loan debt	11,462,675	12,499,209	401,331	431,173
Included in current liabilities (note 13)	(886,476)	(885,859)	(30,545)	(30,046)
Amounts falling due after more than one year	10,576,199	11,613,350	370,786	401,127

The bank loans are secured by legal charges over the group's investment properties and bear interest at 1.1% over LIBOR. Amounts owed to related parties at 31 March 2014 include the following main balances: £224,975 (2013: £224,975) due to Mr. Nadim Virani, £500,000 due to Mrs Y Virani (2013: £500,000), £553,805 due to Mrs A Virani (2013: £553,805) and £1,880,356 due to Halo Estates Limited (2013: £1,880,356). These related party loans are interest free, are unsecured and have no fixed terms of repayment.

15 Provisions for liabilities and charges

DEFERRED TAX	2014	2013	2014	2013
	Group	Group	Company	Company
	£	£	£	£
Amount provided:				
- on accelerated capital allowances	421,517	396,233	1,360	1,530
Amount unprovided:				
- on revaluation of properties	1,486,000	1,379,000	-	-
Full potential liability	1,907,517	1,775,233	1,360	1,530
The movement of the provision for				
the year is as follows:				
At 1 April	396,233	240,114	1,530	1,776
Acquired with subsidiary	-	18,418	-	-
Profit and loss charge/(credit) (note 6)	25,984	137,701	(170)	(246)
At 31 March	422,217	396,233	1,360	1,530

16 Share capital

	2014	2013
	£	£
Authorised		
1,000,000,000 ordinary shares of 10p each	100,000,000	100,000,000
5,000 founder shares of 10p each	500	500
	100,000,500	100,000,500
Issued		
28,151,991 ordinary shares of 10p each - fully paid	2,815,199	2,815,199
	2,815,199	2,815,199

Notes To The Financial Statements

For financial year ended 31st March 2014

17 Statement of movements on reserves

GROUP	SHARE PREMIUM ACCOUNT	REVALUATION RESERVE	CAPITAL REDEMPTION RESERVE	PROFIT AND LOSS ACCOUNT
	£	£	£	£
At 1 April 2013	1,924,769	7,546,621	822,831	7,005,098
Profit retained for the year	-	-	-	1,620,943
Dividends approved in the year	-	-	-	(84,456)
Revaluations in the year:				
- owned investment properties	-	2,246,718	-	-
- share of associated companies	-	268,116	-	-
- allocation to minority interest	-	172,419	-	-
Transfer of revaluation reserve on disposal	-	(881,165)	-	881,165
At 31 March 2014	1,924,769	9,352,709	822,831	9,422,750

COMPANY	SHARE PREMIUM ACCOUNT	REVALUATION RESERVE	CAPITAL REDEMPTION RESERVE	PROFIT & LOSS ACCOUNT
	£	£	£	£
At 1 April 2013	1,924,769	-	822,831	1,458,615
Profit for the year	-	-	-	1,156,977
Dividends approved in the year	-	-	-	(84,456)
At 31 March 2014	1,924,769	-	822,831	2,531,136

18 Reconciliation of movements in shareholders' funds

GROUP	2014	2013
	£	£
Profit for the year after taxation	1,620,943	1,244,082
Dividends approved in the year	(84,456)	(84,456)
Net increase in shareholders' funds	1,536,487	1,159,626
Other gains relating to the year – properties' revaluations	2,687,253	76,675
Opening shareholders' funds	20,114,518	18,878,217
Closing shareholders' funds	24,338,258	20,114,518

19 Minority interests

The minority interests' balance at 31 March 2014 represented:

	2014
	£
At 1 April 2013	5,364,109
Minority share of profit on Spyce Properties Limited ("Spyce")	218,293
Dividend issued by Spyce to the minority interest	(110,100)
Minority share of profit on Unimix Properties Limited ("Unimix")	81,317
Minority share of revaluation reserve on Unimix	(172,419)
Minority share of profits on Willowland Limited ("Willowland")	48,922
At 31 March 2014 (comprising minority share of net assets of Spyce, Unimix and Willowland)	5,430,122

20 Reconciliation of operating profit to net cash inflow from operating activities

	2014	2013
	£	£
Group operating profit	2,711,760	1,967,929
Depreciation charges	9,408	12,545
Amortisation credit (net)	(16,784)	(7,979)
Impairment charges	36,734	38,871
Loss on sale of fixed asset	19,546	-
(Increase)/ decrease in debtors	(59,891)	78,119
Increase in creditors	198,769	651,067
Net cash inflow from operating activities	2,899,542	2,740,552

21 Analysis of changes in net debt

	1 APRIL 2013	CASH FLOWS	31 MARCH 2014
	£	£	£
Net cash:			
Cash at bank and in hand	1,449,927	1,747,956	3,197,883
Bank overdrafts (note 13)	(596,916)	596,916	-
	853,011	2,344,872	3,197,883
Debt:			
Bank loans (note 14)	(12,499,209)	1,036,534	(11,462,675)
Loan from related party	(3,280,601)	6,842	(3,273,759)
Other loans	(300,749)	3,787	(296,962)
	(16,080,559)	1,047,163	(15,033,396)
Total net debt	(15,227,548)	3,392,035	(11,835,513)

22 Reconciliation of net cash flow to movements in net debt

	2014	2013
	£	£
Increase/(decrease) in cash from cash flows	2,344,872	(44,889)
Cash inflow from decrease in debt	1,047,163	33,229
Acquired with subsidiary	-	(535,333)
Change in net debt resulting from cash flows	3,392,035	(546,993)
Opening net debt	(15,227,548)	(14,680,555)
Closing net debt at 31 March 2014	(11,835,513)	(15,227,548)

23. Employees

	2014	2013
	£	£
Wages and salaries	281,023	266,087
Social security costs	37,048	29,062
	318,071	295,149

The average monthly number of employees (excluding directors) during the year was 20 (2013: 18).

24. Directors' emoluments

	2014	2013
	£	£
Emoluments for qualifying services – salary and fees	146,198	98,320

In addition, the group paid £150,000 (2013: £100,000) to Virani Net Limited (a shareholder of the company) for the services of the remaining directors. Of this balance £50,000 remains in accruals (2013: £50,000) and £10,200 remains in trade creditors (2013: £14,350). Included within the group balance is £50,000 (2013: £50,000) paid to Virani Net Limited by the company.

25. Capital commitments

At 31 March 2014 there were no authorised capital commitments (2013: £Nil) for property acquisitions after the year end.

26. Ultimate controlling party

The company is controlled by some members of the Virani family, some of whom are directors of the company, through their shareholdings in Virani Net Limited and Virani Net Scheme.

27. Events subsequent to the balance sheet date

In June 2014 the group acquired a freehold property in Newcastle-under-Lyme through a wholly-owned subsidiary, Dynamo Estates Limited, for a price of £1,750,000.

Also in June 2014 the group acquired a leasehold property in the Docklands, London through a wholly-owned subsidiary, Mosaic Docklands Limited, for a price of £1,000,000.

Cygnet Properties & Leisure PLC (the Company)

Notice of Annual General Meeting

NOTICE is hereby given that the 2014 Annual General Meeting of the Company will be held at Crown House, North Circular Road, Park Royal, London NW10 7PN, on Thursday 25th September 2014 at 12.30 pm for the following purposes:

Ordinary Business

1. To receive and adopt the Report of the Directors and the Accounts for the year ended 31 March 2014 and the Auditors' Report thereon.

2. To declare a dividend of 0.30 pence per ordinary share of the Company.

3. To re-elect the following as directors who retire pursuant to the provisions of the Articles of Association and, being eligible, offer themselves for re-election (to be proposed as separate resolutions):

a. Mr Zul Virani
b. Mr Rahim Virani

4. To re-appoint UHY Hacker Young as Auditors of the Company to hold office until the conclusion of the next General Meeting at which accounts and reports are laid and to authorise the Directors to fix their remuneration.

Special Business

To consider and, if thought fit, to pass the following resolutions of which Resolution 5 will be proposed as an Ordinary Resolution of the Company and Resolution 6 will be proposed as a Special Resolution of the Company:

5. That the Directors be and are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to a maximum nominal amount of £10,000,000 provided that such authority shall expire on the conclusion of the next Annual General Meeting to be held in 2015 unless previously renewed, varied or revoked by the Company in General Meeting save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

6. That, subject to the passing of Resolution 5 above, the Directors be and are hereby empowered pursuant to Section 570 and Section 573 of the Act to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority granted by Resolution 5 above as if Section 561 (1) of the Act did not apply to any such allotment provided this power shall be limited to the allotment wholly for cash:

(i) of equity securities in connection with a rights issue in favour of Ordinary shareholders or allottees of Ordinary shares where the equity securities respectively attributable to the interests of all Ordinary shareholders or allottees of Ordinary shares are proportionate (as nearly as may be) to the respective numbers of Ordinary shares held by or allotted to them; and

(ii) (otherwise than pursuant to sub-paragraph (i) above) of equity securities up to an aggregate nominal amount of £10,000,000

and this authority shall expire on the conclusion of the next Annual General Meeting of the Company to be held in 2015 (unless renewed on or before that date) save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

By Order of the Board

J S Kalsi
Secretary
Dated 22 August 2014

Registered Office:
Crown House
North Circular Road
Park Royal
London NW10 7PN

1. A Member entitled to attend and vote at the above meeting may appoint a proxy or proxies to attend, and on a poll, vote instead of him/her. A proxy need not be a member of the Company. Appointment of a proxy will not preclude a member from attending and voting at the Meeting should he/she decide to do so.

2. A form of proxy, to be valid, must be signed and lodged with the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands, B63 3DA so as to arrive not later than 48 hours before the time fixed for the Annual General Meeting.