

Company Registration No. 1765603 (England and Wales)

ABBEGATE DEVELOPMENTS LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009

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ABBEGATE DEVELOPMENTS LTD

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | C A Faine D G Gwynne |
| Secretary | D G Gwynne |
| Company number | 1765603 |
| Registered office | Cardinal House 46 St Nicholas Street Ipswich IP1 1TT |
| Auditors | Ensors Cardinal House 46 St Nicholas Street Ipswich IP1 1TT |
| Business address | 302 South Row Milton Keynes Buckinghamshire MK9 2FR |

ABBEYGATE DEVELOPMENTS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2009

The directors present their report and financial statements for the year ended 31 March 2009.

Principal activities and review of the business

The principal activity of the company is that of property development.

In addition the company performs administration and other functions for its subsidiaries, for which a charge is passed on via management charges. The company also enters into joint ventures for property development with other entities.

The company has been able to recover 64% of the administration expenses via management charges compared to 67% in 2008. Aborted project costs were lower than last year which has resulted in an improvement in the operating loss compared to 2008.

Financial risk management objectives and policies

The aim of the company's financial risk management policy is to minimise where possible any potential adverse effects on financial performance and net assets. The policies we have in place to reduce risk are as follows:-

Liquidity Risk - The company manages its cash and borrowing requirements to maximise interest income and minimise interest expense, whilst ensuring adequate liquid resources are available to meet the operating needs of the business.

Credit Risk - The principal credit risk is with debtors, the company minimises this risk through credit checks and good credit control.

Foreign Exchange Risk - The company operates entirely within the UK and therefore has no exposure to foreign exchange risk.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 April 2008:

C A Faine
D G Gwynne

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Ensors be reappointed as auditors of the company will be put to the Annual General Meeting.

ABBEYGATE DEVELOPMENTS LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

Statement of directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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 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 proper accounting records that 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 1985. 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


.....
D G Gwynne
Secretary
..... 8 January 2010

ABBEYGATE DEVELOPMENTS LTD

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ABBEYGATE DEVELOPMENTS LTD

We have audited the financial statements of Abbeygate Developments Ltd for the year ended 31 March 2009 set out on pages 5 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ABBEYGATE DEVELOPMENTS LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF ABBEYGATE DEVELOPMENTS LTD

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Ensors

**Chartered Accountants
Registered Auditor**

14 January 2010

Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

ABBEYGATE DEVELOPMENTS LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2009

| | Notes | 2009 £ | 2008 £ |
|--|-------|-----------|-----------|
| Turnover | 2 | - | 3,069 |
| Cost of sales | | (18,967) | (69,218) |
| Gross loss | | (18,967) | (66,149) |
| Administrative expenses | | (624,079) | (636,449) |
| Other operating income | | 397,250 | 425,500 |
| Operating loss | 3 | (245,796) | (277,098) |
| Investment income | 4 | 431,300 | 383,695 |
| Other interest receivable and similar income | 4 | 33,741 | 66,814 |
| Interest payable and similar charges | 5 | (428,958) | (383,695) |
| Loss on ordinary activities before taxation | | (209,713) | (210,284) |
| Tax on loss on ordinary activities | 6 | - | - |
| Loss for the year | 15 | (209,713) | (210,284) |

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.

ABBEYGATE DEVELOPMENTS LTD

BALANCE SHEET

AS AT 31 MARCH 2009

| | Notes | 2009 £ | £ | 2008 £ | £ |
|--|-------|--------------------|---|--------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 7 | 12,865 | | 16,577 | |
| Investments | 8 | 665,460 | | 665,460 | |
| | | <u>678,325</u> | | <u>682,037</u> | |
| Current assets | | | | | |
| Stocks | 9 | 11,328 | | 11,328 | |
| Debtors: amounts falling due within one year | 10 | 1,020,796 | | 1,373,321 | |
| Debtors: amounts falling due after more than one year | 10 | 7,356,885 | | 7,356,885 | |
| Cash at bank and in hand | | 1,071,954 | | 1,035,004 | |
| | | <u>9,460,963</u> | | <u>9,776,538</u> | |
| Creditors: amounts falling due within one year | 11 | <u>(1,632,353)</u> | | <u>(1,741,927)</u> | |
| Net current assets | | <u>7,828,610</u> | | <u>8,034,611</u> | |
| Total assets less current liabilities | | <u>8,506,935</u> | | <u>8,716,648</u> | |
| Creditors: amounts falling due after more than one year | 12 | <u>(7,250,000)</u> | | <u>(7,250,000)</u> | |
| | | <u>1,256,935</u> | | <u>1,466,648</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 14 | 2,766 | | 2,766 | |
| Share premium account | 15 | 824,734 | | 824,734 | |
| Other reserves | 15 | 2,502 | | 2,502 | |
| Profit and loss account | 15 | 426,933 | | 636,646 | |
| Shareholders' funds | 16 | <u>1,256,935</u> | | <u>1,466,648</u> | |

Approved by the Board and authorised for issue on 8 January 2010

C A Faine
Director

Company Registration No. 1765603

ABBEYGATE DEVELOPMENTS LTD

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

| | Notes | £ | 2009 £ | £ | 2008 £ |
|--|---------------|-----------|---------------|-----------|------------------|
| Net cash inflow/(outflow) from operating activities | 22 | | 1,387 | | (647,450) |
| Returns on investments and servicing of finance | | | | | |
| Interest received | | 462,699 | | 450,509 | |
| Interest paid | | (428,958) | | (383,695) | |
| Dividends received from participating interests | | 2,342 | | - | |
| | | | | | |
| Net cash inflow for returns on investments and servicing of finance | | | 36,083 | | 66,814 |
| Capital expenditure | | | | | |
| Payments to acquire tangible assets | | (520) | | (650) | |
| | | | | | |
| Net cash outflow for capital expenditure | | | (520) | | (650) |
| | | | | | |
| Net cash inflow/(outflow) before management of liquid resources and financing | | | 36,950 | | (581,286) |
| | | | | | |
| Increase/(decrease) in cash in the year | 23, 24 | | 36,950 | | (581,286) |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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 the value of work undertaken during the year, whether sales have been completed or not, stated net of Value Added Tax and includes attributable profit as defined below.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

1.4 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:

| | |
|------------------------|------------------------------------|
| Leasehold Improvements | on cost over the term of the lease |
| Computer Equipment | 33 1/3% on cost |
| Fixtures & Fittings | 15% on reducing balance |
| Motor Vehicles | 25% on reducing balance |

1.5 Leasing

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

1.6 Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

1.7 Stock and work in progress

The amount at which long term work in progress is stated is cost, plus any attributable profit, less any foreseeable losses and progress payments received and receivable.

Work in progress, other than long term contract work in progress, is stated at the lower of cost and net realisable value.

1.8 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.9 Deferred taxation

Deferred taxation is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise stated by FRS19.

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

1 Accounting policies

(continued)

1.10 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a medium-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

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 loss | 2009 £ | 2008 £ |
|--|-----------|-----------|
| Operating loss is stated after charging: | | |
| Depreciation of tangible assets | 4,232 | 8,066 |
| Operating lease rentals | 11,550 | 11,550 |
| Auditors' remuneration (including expenses and benefits in kind) | 9,360 | 9,090 |

| 4 Investment income | 2009 £ | 2008 £ |
|-------------------------------------|----------------|----------------|
| Interest from group undertakings | 428,958 | 383,695 |
| Income from participating interests | 2,342 | - |
| Bank interest | 33,741 | 66,814 |
| | <u>465,041</u> | <u>450,509</u> |

| 5 Interest payable | 2009 £ | 2008 £ |
|---|----------------|----------------|
| On other loans wholly repayable within five years | <u>428,958</u> | <u>383,695</u> |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

| 6 | Taxation | 2009 | 2008 |
|----------|---|-------------|-------------|
| | Current tax charge | - | - |
| | Factors affecting the tax charge for the year | | |
| | Loss on ordinary activities before taxation | (209,713) | (210,284) |
| | Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2008 - 20.00%) | (44,040) | (42,057) |
| | Effects of: | | |
| | Non deductible expenses | 4,957 | 6,126 |
| | Capital allowances in advance of depreciation | 107 | 542 |
| | Tax losses utilised via group relief | 6,033 | 12,890 |
| | Tax losses carried forward | 32,943 | 22,499 |
| | | 44,040 | 42,057 |
| | Current tax charge | - | - |

The company has estimated losses of £ 314,963 (2008 - £ 158,089) available for carry forward against future trading profits.

| 7 | Tangible fixed assets | Leasehold Improvements | Equipment | Fixtures & Fittings | Motor Vehicles | Total |
|----------|------------------------------|-------------------------------|------------------|--------------------------------|-----------------------|--------------|
| | | £ | £ | £ | £ | £ |
| | Cost | | | | | |
| | At 1 April 2008 | 5,375 | 30,648 | 30,672 | 25,174 | 91,869 |
| | Additions | - | 329 | 191 | - | 520 |
| | At 31 March 2009 | 5,375 | 30,977 | 30,863 | 25,174 | 92,389 |
| | Depreciation | | | | | |
| | At 1 April 2008 | 5,375 | 30,378 | 28,740 | 10,799 | 75,292 |
| | Charge for the year | - | 348 | 290 | 3,594 | 4,232 |
| | At 31 March 2009 | 5,375 | 30,726 | 29,030 | 14,393 | 79,524 |
| | Net book value | | | | | |
| | At 31 March 2009 | - | 251 | 1,833 | 10,781 | 12,865 |
| | At 31 March 2008 | - | 270 | 1,932 | 14,375 | 16,577 |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

8 Fixed asset investments

| | Shares in participating interests £ | Loans to participating interests £ | Shares in group undertakings £ | Total £ |
|------------------------------------|--|---|---|------------|
| Cost | | | | |
| At 1 April 2008 & at 31 March 2009 | 101 | 514,455 | 150,904 | 665,460 |
| Net book value | | | | |
| At 31 March 2009 | 101 | 514,455 | 150,904 | 665,460 |
| At 31 March 2008 | 101 | 514,455 | 150,904 | 665,460 |

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 | | | |
| Abbeygate Developments(Dunstable) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Brinklow) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Campbell Park) Ltd - Note 1 | UK | Ordinary | 100.00 |
| Abbeygate Developments(Luton) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Grafton Gate 2) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Bouverie Square) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Dunstable 2) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(Regent Street) Ltd | UK | Ordinary | 100.00 |
| Abbeygate Developments(C4.1) Ltd - Note 1 | UK | Ordinary | 100.00 |
| Other significant interests | | | |
| Abbeygate Helical (Leisure Plaza) Ltd | UK | Ordinary | 50.00 |
| Abbeygate Helical (Winterhill) Ltd | UK | Ordinary | 50.00 |
| Abbeygate Developments (Marlbrough Gate 2) Ltd | UK | Ordinary | 50.00 |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

8 Fixed asset investments

(continued)

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

| | | Capital and reserves 2009 £ | Profit/(loss) for the year 2009 £ |
|---|----------------------|--------------------------------------|--|
| | Principal activity | | |
| Abbeygate Developments(Dunstable) Ltd | Property Development | 224,123 | 3,009 |
| Abbeygate Developments(Brinklow) Ltd | Property Development | 2 | 167 |
| Abbeygate Developments(Campbell Park) Ltd - Note 1 | Property Development | 41,973 | 2,337 |
| Abbeygate Developments(Luton) Ltd | Property Development | 114,879 | 3,484 |
| Abbeygate Developments(Grafton Gate 2) Ltd | Property Development | 59,595 | 3,874 |
| Abbeygate Developments(Bouverie Square) Ltd | Property Development | - | 14,571 |
| Abbeygate Developments(Dunstable 2) Ltd | Property Development | (118,138) | 3,195 |
| Abbeygate Developments(Regent Street) Ltd | Property Development | (197,851) | 5,507 |
| Abbeygate Developments(C4.1) Ltd - Note 1 | Property Development | (4,111) | 1,575,846 |

Note 1

The figures for Abbeygate Developments (Campbell Park) Ltd and Abbeygate Developments (C4.1) Limited are for the period ended 31 December 2008 and 30 September 2008, respectively.

Abbeygate Developments (C4.1) Limited has a 50% interest in Abbeygate Helical (C4.1) LLP which has a principal activity of property development. The company share of profits after interest for the year ended 30 September 2008 was £3,003,331 and the share of net assets amounted to £7,923,354.

Additional disclosures for joint ventures (JV's) which exceed 25% of certain thresholds

| | Abbeygate Developments (Marlborough Gate 2) Ltd £ | Abbeygate Helical (Leisure Plaza) Ltd £ |
|---|---|---|
| Share of turnover of JV's | 195,000 | 109,989 |
| Share of profit/(loss) before tax of JV's | 20,000 | (53,088) |
| Share of tax of JV's | (4,000) | - |
| Share of profit/(loss) after tax of JV's | 16,000 | (53,088) |
| Share of current assets of JV's | 2,153,000 | 3,168,563 |
| Share of current liabilities of JV's | 2,131,000 | 3,526,104 |

ABBEGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

| 9 | Work in progress | 2009 | 2008 |
|----------|-------------------------|---------------|---------------|
| | | £ | £ |
| | Work in progress | <u>11,328</u> | <u>11,328</u> |

| 10 | Debtors | 2009 | 2008 |
|-----------|------------------------------------|------------------|------------------|
| | | £ | £ |
| | Amounts owed by group undertakings | 8,254,640 | 8,606,825 |
| | ACT recoverable | 106,885 | 106,885 |
| | Prepayments and accrued income | <u>16,156</u> | <u>16,496</u> |
| | | <u>8,377,681</u> | <u>8,730,206</u> |

Amounts falling due after more than one year and included in the debtors above are:

| | 2009 | 2008 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Amounts owed by group undertakings | 7,250,000 | 7,250,000 |
| Other debtors | <u>106,885</u> | <u>106,885</u> |
| | <u>7,356,885</u> | <u>7,356,885</u> |

| 11 | Creditors: amounts falling due within one year | 2009 | 2008 |
|-----------|---|------------------|------------------|
| | | £ | £ |
| | Trade creditors | 128,785 | 303,111 |
| | Amounts owed to group undertakings | 124,047 | 108,295 |
| | Amounts owed to participating interests | 1 | 1 |
| | Taxes and social security costs | 69,006 | 185,429 |
| | Directors' current accounts | 1,071,190 | 1,071,190 |
| | Accruals and deferred income | <u>239,324</u> | <u>73,901</u> |
| | | <u>1,632,353</u> | <u>1,741,927</u> |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2009**

| 12 Creditors: amounts falling due after more than one year | 2009 | 2008 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans | <u>7,250,000</u> | <u>7,250,000</u> |
| Analysis of loans | | |
| Wholly repayable within five years | <u>7,250,000</u> | <u>7,250,000</u> |
| | <u>7,250,000</u> | <u>7,250,000</u> |
| Loan maturity analysis | | |
| In more than one year but not more than two years | <u>7,250,000</u> | <u>7,250,000</u> |

The bank loans repayable in more than one year are secured on a mortgage debenture over the company and each asset-holding subsidiary, incorporating a first legal charge over the work in progress of these companies. The facility expires in less than five years.

The whole loan is chargeable at a floating rate of LIBOR plus 1.25%.

13 Pension and other post-retirement benefit commitments **Defined contribution**

The company contributes to personal pension schemes of its employees excluding directors at a variable rate, set annually, based upon current salary. In respect of the directors, variable amounts are paid annually as agreed by the board.

| | 2009 | 2008 |
|---|---------------|---------------|
| | £ | £ |
| Contributions payable by the company for the year | <u>49,769</u> | <u>87,175</u> |

| 14 Share capital | 2009 | 2008 |
|---|---------------|---------------|
| | £ | £ |
| Authorised | | |
| 23,750 Ordinary "A" Shares of £1 each | 23,750 | 23,750 |
| 23,750 Ordinary "B" Shares of £1 each | 23,750 | 23,750 |
| 2,500 Ordinary "C" Shares of £1 each | 2,500 | 2,500 |
| | <u>50,000</u> | <u>50,000</u> |
| Allotted, called up and fully paid | | |
| 2,766 Ordinary "A" Shares of £1 each | <u>2,766</u> | <u>2,766</u> |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2009**

15 Statement of movements on reserves

| | Share premium account £ | Other reserves (see below) £ | Profit and loss account £ |
|--|----------------------------------|---------------------------------------|------------------------------------|
| Balance at 1 April 2008 | 824,734 | 2,502 | 636,646 |
| Loss for the year | - | - | (209,713) |
| Balance at 31 March 2009 | <u>824,734</u> | <u>2,502</u> | <u>426,933</u> |
| Other reserves | | | |
| Capital redemption reserve | | | |
| Balance at 1 April 2008 & at 31 March 2009 | | <u>2,502</u> | |

There was no movement on the share premium account during the financial year.

16 Reconciliation of movements in shareholders' funds

| | 2009 £ | 2008 £ |
|-----------------------------|------------------|------------------|
| Loss for the financial year | (209,713) | (210,284) |
| Opening shareholders' funds | <u>1,466,648</u> | <u>1,676,932</u> |
| Closing shareholders' funds | <u>1,256,935</u> | <u>1,466,648</u> |

17 Financial commitments

At 31 March 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2010:

| | Other 2009 £ | 2008 £ |
|--------------------------------|--------------------|--------------|
| Operating leases which expire: | | |
| Between two and five years | <u>3,176</u> | <u>3,176</u> |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2009**

| 18 Directors' emoluments | 2009 | 2008 |
|---|----------------|----------------|
| | £ | £ |
| Emoluments for qualifying services | 159,591 | 154,193 |
| Company pension contributions to money purchase schemes | 44,960 | 81,860 |
| | <u>204,551</u> | <u>236,053</u> |

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2008 - 2).

19 Employees

Number of employees

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

| | 2009 | 2008 |
|----------------|---------------|---------------|
| | Number | Number |
| Management | 2 | 2 |
| Administration | 2 | 2 |
| | <u>4</u> | <u>4</u> |

| Employment costs | 2009 | 2008 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 188,958 | 191,836 |
| Social security costs | 28,183 | 27,965 |
| Other pension costs | 49,769 | 87,175 |
| | <u>266,910</u> | <u>306,976</u> |

20 Control

The ultimate parent company is Pelhamwalk Limited.

The ultimate controlling party is C A Faine who owns 51% of the share capital of Pelhamwalk Ltd.

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

21 Related party transactions

The company received management charges of £397,000 (2008:£425,500) and paid expenses of £4,435 (2008:£3,520) in relation to fellow group companies. During the year a loan to a group company for £6,612 was written off. At the year end £8,130,593 (2008: £8,498,531) was due from group companies.

During the year the company purchased management services for £162,500 (2008:£162,500) from Abbeygate Developments (Blakelands) Ltd, a company controlled by the directors. At the year end the company owed Abbeygate Developments (Blakelands) Ltd £257,969 (2008: £286,406).

At the year end the Joint Venture companies owed the company £514,455 (2008:£514,455).

Directors C A Faine and D G Gwynne had current accounts balances payable by the company of £822,267 (2008:822,267) and £248,922 (2008: £248,922) respectively.

| 22 Reconciliation of operating loss to net cash inflow/(outflow) from operating activities | 2009 | 2008 |
|---|--------------|------------------|
| | £ | £ |
| Operating loss | (245,796) | (277,098) |
| Depreciation of tangible assets | 4,232 | 8,066 |
| Decrease in stocks | - | 13,896 |
| Decrease in debtors | 352,525 | 170,700 |
| Decrease in creditors within one year | (109,574) | (563,014) |
| Net cash inflow/(outflow) from operating activities | 1,387 | (647,450) |

| 23 Analysis of net debt | 1 April 2008 | Cash flow | Other non-cash changes | 31 March 2009 |
|----------------------------------|---------------------|------------------|-------------------------------|----------------------|
| | £ | £ | £ | £ |
| Net cash: | | | | |
| Cash at bank and in hand | 1,035,004 | 36,950 | - | 1,071,954 |
| Debt: | | | | |
| Debts falling due after one year | (7,250,000) | - | - | (7,250,000) |
| Net debt | (6,214,996) | 36,950 | - | (6,178,046) |

ABBEYGATE DEVELOPMENTS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2009

| 24 Reconciliation of net cash flow to movement in net debt | 2009 | 2008 |
|---|--------------------|--------------------|
| | £ | £ |
| Increase/(decrease) in cash in the year | 36,950 | (581,286) |
| | <hr/> | <hr/> |
| Movement in net debt in the year | 36,950 | (581,286) |
| Opening net debt | (6,214,996) | (5,633,710) |
| | <hr/> | <hr/> |
| Closing net debt | (6,178,046) | (6,214,996) |
| | <hr/> | <hr/> |