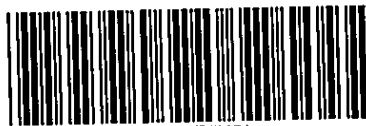


Abbreviated Accounts for the Year Ended 30 September 2011

for

Bovale Limited

TUESDAY



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COMPANIES HOUSE

Bovale Limited (Registered number 02594369)

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for the Year Ended 30 September 2011

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Bovale Limited

Company Information
for the Year Ended 30 September 2011

DIRECTORS:

T G Bailey
M F Bailey

REGISTERED OFFICE:

Martin Kaye LLP
The Foundry
Euston Way
Telford
Shropshire
TF3 4LY

REGISTERED NUMBER:

02594369 (England and Wales)

AUDITORS:

Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Report of the Independent Auditors to
Bovale Limited
Under Section 449 of the Companies Act 2006

We have examined the abbreviated accounts set out on pages three to six, together with the full financial statements of Bovale Limited for the year ended 30 September 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.

Other information

On 5 September 2012 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 30 September 2011 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. At 30 September 2011, the company's current liabilities exceeded its current assets by £42,524,611 and it had net liabilities of £37,344,646. The company is in the process of negotiating the approval of an additional loan application in accordance with its strategic plan. Whilst the directors are confident that sufficient funds will be approved and obtained to enable the company to complete property development to a stage where positive cash flows can be generated, were the funds not forthcoming, the company would have to seek alternative financing to meet its obligations. These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



Jonathan Talbot (Senior Statutory Auditor)
for and on behalf of Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
Portwall Place
Portwall Lane
Bristol
BS1 6NA


Date 5 September 2012

Abbreviated Balance Sheet
30 September 2011

	Notes	30 9 11 £	£	30 9 10 £	£
FIXED ASSETS					
Tangible assets	2		9,965		14,214
Investments	3		200,000		200,000
Investment property	4		<u>4,970,000</u>		<u>5,710,000</u>
			5,179,965		5,924,214
CURRENT ASSETS					
Stock		44,009,147		34,768,379	
Debtors		381,264		102,222	
Investments	7			-	
Cash at bank and in hand		<u>347,472</u>		<u>927,933</u>	
		44,737,890		35,798,534	
CREDITORS					
Amounts falling due within one year	6	<u>(87,262,501)</u>		<u>(84,241,329)</u>	
NET CURRENT LIABILITIES			<u>(42,524,611)</u>		<u>(48,442,795)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(37,344,646)</u>		<u>(42,518,581)</u>
CAPITAL AND RESERVES					
Called up share capital	7		2 (5,074,375)		2 (7,193,822)
Revaluation reserve			<u>(32,270,273)</u>		<u>(35,324,761)</u>
Profit and loss account					
SHAREHOLDERS' FUNDS			<u>(37,344,646)</u>		<u>(42,518,581)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 5th September 2012 and were signed on its behalf by


M F Bailey - Director


T G Bailey - Director

Notes to the Abbreviated Accounts
for the Year Ended 30 September 2011

1 ACCOUNTING POLICIES

Accounting convention

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

Going concern

At 30 September 2011, the company had net current liabilities of £42,524,611 and net liabilities of £37,344,646. The directors have considered the company's future financing, and believe that the company will be able to fulfil its obligations for a period of at least 12 months from the date of signing these financial statements. Accordingly the directors have prepared the financial statements on the going concern basis. The company is in the process of negotiating the approval of an additional loan application in accordance with its strategic plan. The directors are confident that sufficient funds will be approved and obtained to enable the company to complete property development to a stage where positive cash flows can then be generated. If the expected funds are not forthcoming, the company would have to seek alternative financing to meet its financial obligations. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Turnover

Turnover represents the net invoiced sale of property, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Office equipment, fixtures, etc	- 33% on cost and 25% on reducing balance
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Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

No provision is made for depreciation of investment properties. This departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated is, in the opinion of the directors, necessary for the financial statements to show a true and fair view in accordance with applicable accounting standards.

Stock

Stock and work in progress are valued at the lower of cost and net realisable value.

Land with planning includes undeveloped land and land under development. Work in progress comprises direct materials, labour costs, site overheads, associated professional charges and other attributable overheads. Net realisable value represents the estimated selling prices less all estimated costs of completion and overheads.

Investments in land without the benefit of a planning consent are initially included at cost. Regular reviews are carried out to identify any impairment in the value of the land considering the existing use value of the land and the likelihood of achieving a planning consent and the value thereof. Provision is made to reflect any irrecoverable amounts.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Fixed asset and current asset investments

Investments are stated at cost less any provision for impairment.

Borrowing costs

Borrowing costs have been included in work in progress since they are specific to the various developments the company is undertaking.

Notes to the Abbreviated Accounts
for the Year Ended 30 September 2011

1 ACCOUNTING POLICIES - continued

Exceptional items

Exceptional items are those which, in the opinion of the directors, are material by size or nature, non-recurring, and of such significance that they require separate disclosure on the face of the profit and loss account

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 small-sized group as defined by the Companies Act 2006. The company has, therefore, not taken advantage of the option of preparing group accounts provided by Section 398, Companies Act 2006.

2 TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 October 2010	
and 30 September 2011	<u>47,352</u>
DEPRECIATION	
At 1 October 2010	33,138
Charge for year	<u>4,249</u>
At 30 September 2011	<u>37,387</u>
NET BOOK VALUE	
At 30 September 2011	<u>9,965</u>
At 30 September 2010	<u>14,214</u>

3 FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2010	
and 30 September 2011	<u>8,230,574</u>
IMPAIRMENT	
At 1 October 2010	
and 30 September 2011	<u>(8,030,574)</u>
NET BOOK VALUE	
At 30 September 2011	<u>200,000</u>
At 30 September 2010	<u>200,000</u>

The company's investments at the balance sheet date in the share capital of companies include the following

Joint Venture - Castle Farm Telford LLP - Nature of business Property Development

	%		
Class of shares	holding		
Share of capital & income	87.50		
		30.9.11	31.3.10
		£	£
Aggregate capital and reserves		(45,367,328)	(41,279,168)
Loss for the year		<u>(4,088,160)</u>	<u>(52,061,878)</u>

Castle Farm Telford LLP's principal place of business is 4, Belmont, Shrewsbury SY1 1TE

Notes to the Abbreviated Accounts - continued
for the Year Ended 30 September 2011

3 FIXED ASSET INVESTMENTS - continued

A copy of the financial statements of Castle Farm Telford LLP for the period ended 30 September 2011 has been filed with the Registrar of Companies

Unlisted investment

The unlisted investment is shown at cost, which the directors believe represents its open market value at 30 September 2011

4 INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 October 2010	5,710,000
Transfer to stocks	(400,000)
Revaluation adjustment	<u>(340,000)</u>
At 30 September 2011	<u>4,970,000</u>
NET BOOK VALUE	
At 30 September 2011	<u>4,970,000</u>
At 30 September 2010	<u>5,710,000</u>

If investment property had not been revalued it would have been included at the following historical cost

	30 9 11 £	30 9 10 £
Cost	<u>10,044,375</u>	<u>12,903,822</u>

5 CURRENT ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2010	-
Additions	
7	
At 30 September 2011	<u>7</u>
IMPAIRMENT	
At 1 October 2010 and 30 September 2011	<u>-</u>
NET BOOK VALUE	
At 30 September 2011	<u>7</u>
At 30 September 2010	<u>-</u>

Notes to the Abbreviated Accounts
for the Year Ended 30 September 2011

5 CURRENT ASSET INVESTMENTS (continued)

Investments held by the company in the ordinary share capital of unlisted companies as at the balance sheet date are as follows

Company	% Holding*	Business
The Mount (Chepstow) Management Company	100	Management Company
Teon Hall Mills Freehold Limited	100	Management Company
Teon Mills Management Company Limited	100	Management Company
TMMC Limited	100	Management Company

* held by a nominee on behalf of the company

The profit and aggregate capital and reserves of these companies in the latest filed accounts at their respective year ends were

Company	Year ended	Profit/(loss)	Capital & Reserves
The Mount (Chepstow) Management Company	30 November 2010	£nil (2009 - £nil)	£2 (2009 - £2)
Teon Hall Mills Freehold Limited	31 July 2011	£nil (2010 - £nil)	£2 (2010 - £2)
Teon Mills Management Company Limited	31 December 2010	£nil (2009 - £nil)	£1 (2009 - £1)
TMMC Limited	31 May 2011	£nil (2010 - £nil)	£2 (2010 - £2)

6 CREDITORS

Creditors include an amount of £86,045,512 (30 9 10 - £83,331,103) for which security has been given

7 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid				
Number	Class	Nominal value	30 9 11	30 9 10
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

8 ULTIMATE CONTROLLING PARTY AND TRANSACTIONS WITH DIRECTORS

The company is ultimately controlled by M F Bailey and T G Bailey, both of whom are residents of the Republic of Ireland

M F Bailey and T G Bailey, both of whom are directors of the company, were owed £51,124 by the company at 30 September 2011 (30 September 2010 £51,124)

9 POST BALANCE SHEET EVENT

The company, together with its solicitors, is considering claims against certain parties with regard to financial irregularities that were identified after the balance sheet date but have yet to be quantified