

COMPANY REGISTRATION NUMBER 2659766

**CENTRO GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**31ST MARCH 2011**



**BROOKS & CO.**  
Chartered Accountants & Statutory Auditor  
Mid-Day Court  
20-24 Brighton Road  
Sutton  
Surrey  
SM2 5BN

**CENTRO GROUP LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

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**CENTRO GROUP LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 31ST MARCH 2011**

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The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2011

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was the ownership and the associated management of a portfolio of ground rents and the maintenance of the associated freehold properties

Pursuant to the statement in the previous five financial years, in connection with the company being authorised to transact general insurance, we have again procured and received reimbursement for such activity in the order of £129,435. Such ancillary income has been included within the Company's turnover and is shown with comparative figures. We are aware that the inclusion of this turnover is not consistent with United Kingdom Generally Accepted Accounting Practice and we have again discussed the matter with our Auditors and accept that they will make an appropriate statement in their report. We fully understand their position and do not disagree with their obligation to make a qualified opinion, but consider the activity and income to be a representative part of our trading income.

The considerable preparations which the Company made in anticipation of the potential double dip recession which they envisaged could occur did, in fact, transpire to produce the level of business and the creation and maintenance of existing assets to a satisfactory and rewarding level, bearing in mind the recessionary nature which hit all industry throughout the financial year. The directors made considered judgements with regard to staffing and overhead levels to be such as it is hoped will contain the impact of the ongoing recession on its client base and their necessary cutbacks in trade and investment through the forthcoming year.

Overall, the increase in turnover and profit and structuring for the future were satisfactory and rewarding. The Directors anticipate the present level of activity will be sustained and increased for the foreseeable future.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £11,999. The directors have not recommended a dividend.

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company holds or issues financial instruments in order to achieve three main objectives, being

- (a) to finance its operations
- (b) to manage its exposure to interest risks arising from its operations and from its sources of finance, and
- (c) for trading purposes

The company's financial instruments consist of cash, liquid resources, bank loans and overdrafts, mortgages, trade debtors and creditors and other debtors and creditors arising directly from its business operations.

The significant financial assets and liabilities that the company had at the year end, other than short term debtors and creditors were amounts owed by group undertakings and mortgage which is subject to LIBOR rates plus 1.2%. Further details of these financial assets and liabilities are shown in notes 10, 11 and 12.

**CENTRO GROUP LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31ST MARCH 2011**

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**DIRECTORS**

The directors who served the company during the year were as follows

R P Harwood FRICS  
P R Harwood  
D E Walker  
J P Harwood (Non-executive)

**DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**CENTRO GROUP LIMITED**  
**THE DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31ST MARCH 2011**

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**AUDITOR**

Brooks & Co are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office  
Mid-Day Court  
30 Brighton Road  
Sutton  
Surrey  
SM2 5BN

Signed by order of the directors

A handwritten signature in dark ink, appearing to read 'D E Walker'.

D E Walker  
Company Secretary

Approved by the directors on 30th September 2011

**CENTRO GROUP LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF**  
**CENTRO GROUP LIMITED**

**YEAR ENDED 31ST MARCH 2011**

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We have audited the financial statements of Centro Group Limited for the year ended 31st March 2011. 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 shareholders, 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 shareholders those matters we are required to state 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out below.

In common with many other businesses of similar size and nature we assisted the directors with the preparation of the financial statements and tax return.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**CENTRO GROUP LIMITED****INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
CENTRO GROUP LIMITED (continued)****YEAR ENDED 31ST MARCH 2011****QUALIFIED OPINION ARISING FROM DISAGREEMENT ABOUT ACCOUNTING TREATMENT**

In our opinion, the turnover and cost of sales given in the Profit and Loss Account are not consistent with the United Kingdom Generally Accepted Accounting Practice

The turnover of £667,442 (2010-£496,975) includes an amount of £129,435 (2010-£130,528) which did not arise from a revenue activity but arose from reimbursements from lessees for their buildings insurance premiums paid by the company

The cost of sales of £185,331 (2010-£136,784) includes the buildings insurance premiums paid of £129,435 (2010-£130,528) which had been recovered from the lessees

The reporting profit for the financial year is not affected by the accounting treatment of the property insurance premiums receivable and payable

Except for the disagreement shown in the above paragraphs, in our opinion the financial statements

- give a true and fair view, of the company's affairs as at 31st March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**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



MICHAEL HARDING (Senior Statutory Auditor)  
For and on behalf of  
BROOKS & CO  
Chartered Accountants  
& Statutory Auditor

Mid-Day Court  
20-24 Brighton Road  
Sutton  
Surrey  
SM2 5BN

30th September 2011

**CENTRO GROUP LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST MARCH 2011**

		<b>2011</b>	<b>2010</b>
	Note	£	£
<b>TURNOVER</b>	<b>2</b>	<b>667,442</b>	<b>496,975</b>
Cost of sales		<b>185,331</b>	<b>136,784</b>
<b>GROSS PROFIT</b>		<b>482,111</b>	<b>360,191</b>
Administrative expenses		<b>445,591</b>	<b>326,398</b>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>36,520</b>	<b>33,793</b>
Interest receivable		<b>78</b>	<b>–</b>
Interest payable and similar charges	<b>6</b>	<b>(21,254)</b>	<b>(23,851)</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>15,344</b>	<b>9,942</b>
Tax on profit on ordinary activities	<b>7</b>	<b>3,345</b>	<b>2,286</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>11,999</b>	<b>7,656</b>

All of the activities of the company are classed as continuing



**CENTRO GROUP LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**YEAR ENDED 31ST MARCH 2011**

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	<b>2011</b>	2010
	<b>£</b>	<b>£</b>
Profit for the financial year attributable to the shareholders	<b>11,999</b>	7,656
Unrealised profit on revaluation of certain fixed assets	–	202,000
Total gains and losses recognised since the last annual report	<u><b>11,999</b></u>	<u>209,656</u>

The notes on pages 13 to 20 form part of these financial statements.

**CENTRO GROUP LIMITED****BALANCE SHEET (continued)****31ST MARCH 2011****FIXED ASSETS**

Tangible assets	8	<u>3,538,900</u>	<u>3,539,190</u>
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**CURRENT ASSETS**

Stocks	9	1,500	1,450
Debtors	10	851,782	713,165
Cash at bank and in hand		421	2,202

<b>TOTAL CURRENT ASSETS</b>		<u>853,703</u>	<u>716,817</u>
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**CREDITORS: Amounts falling due within one year**

Trade creditors		20,996	3,431
Other creditors including taxation and social security	11	48,222	52,903
Accruals and deferred income		40,656	40,159

<b>TOTAL CURRENT LIABILITIES</b>		<u>109,874</u>	<u>96,493</u>
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<b>NET CURRENT ASSETS</b>		<u>743,829</u>	<u>620,324</u>
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<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>4,282,729</u>	<u>4,159,514</u>
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**CREDITORS: Amounts falling due after more than one year**

Amounts owed to group undertakings		340,928	229,428
Mortgage		899,928	900,202
Directors' loan accounts		5,900	5,900

**PROVISIONS FOR LIABILITIES**

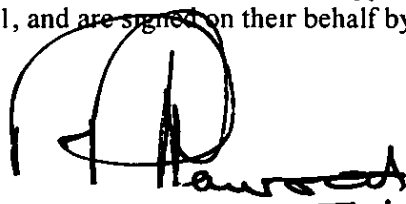
Deferred taxation	13	226	236
		<u>(1,246,982)</u>	<u>(1,135,766)</u>
		<u>3,035,747</u>	<u>3,023,748</u>

**CAPITAL AND RESERVES**

Called-up equity share capital	17	75	75
Revaluation reserve	18	2,854,653	2,854,653
Profit and loss account	19	181,019	169,020

<b>SHAREHOLDERS' FUNDS</b>	20	<u>3,035,747</u>	<u>3,023,748</u>
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These financial statements were approved by the directors and authorised for issue on 30th September 2011, and are signed on their behalf by



R P Harwood FRICS  
Director

Company Registration Number 2659766

The notes on pages 13 to 20 form part of these financial statements.

**CENTRO GROUP LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31ST MARCH 2011**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(89,547)</b>	<b>(76,308)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		
Interest received	78	–
Interest paid	<u>(21,254)</u>	<u>(23,851)</u>
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>	<b>(21,176)</b>	<b>(23,851)</b>
<b>TAXATION</b>	<b>(2,284)</b>	<b>(1,794)</b>
<b>CASH OUTFLOW BEFORE FINANCING</b>	<b>(113,007)</b>	<b>(101,953)</b>
<b>FINANCING</b>		
Repayment of long-term amounts owed to group undertakings	111,500	75,937
Net outflow from other long-term creditors	(274)	–
Repayment of directors' long-term loans	<u>–</u>	<u>5,900</u>
<b>NET CASH INFLOW FROM FINANCING</b>	<b>111,226</b>	<b>81,837</b>
<b>DECREASE IN CASH</b>	<b><u>(1,781)</u></b>	<b><u>(20,116)</u></b>
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		
	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit	36,520	33,793
Depreciation	290	490
Increase in stocks	(50)	–
Increase in debtors	(138,617)	(120,111)
Increase in creditors	<u>12,310</u>	<u>9,520</u>
Net cash outflow from operating activities	<b><u>(89,547)</u></b>	<b><u>(76,308)</u></b>

**CENTRO GROUP LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31ST MARCH 2011**

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Decrease in cash in the period	<b>(1,781)</b>	<b>(20,116)</b>
Net cash (inflow) from long-term amounts owed to group undertakings	<b>(111,500)</b>	<b>(75,937)</b>
Net cash outflow from other long-term creditors	<b>274</b>	<b>–</b>
Cash (inflow) from directors' long-term loans	<b>–</b>	<b>(5,900)</b>
	<b><u>(113,007)</u></b>	<b><u>(101,953)</u></b>
Change in net debt	<b>(113,007)</b>	<b>(101,953)</b>
Net debt at 1 April 2010	<b>(1,133,328)</b>	<b>(1,031,375)</b>
Net debt at 31 March 2011	<b><u>(1,246,335)</u></b>	<b><u>(1,133,328)</u></b>

**ANALYSIS OF CHANGES IN NET DEBT**

	<b>At</b>		<b>At</b>
	<b>1 Apr 2010</b>	<b>Cash flows</b>	<b>31 Mar 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash			
Cash in hand and at bank	<b><u>2,202</u></b>	<b><u>(1,781)</u></b>	<b><u>421</u></b>
Debt			
Debt due after 1 year	<b><u>(1,135,530)</u></b>	<b><u>(111,226)</u></b>	<b><u>(1,246,756)</u></b>
Net debt	<b><u>(1,133,328)</u></b>	<b><u>(113,007)</u></b>	<b><u>(1,246,335)</u></b>

**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

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**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets

**Turnover**

Turnover shown in the profit and loss account represents amounts receivable for services provided including ground rent, lease extension and property insurance. The turnover also includes estimates of work done but not yet invoiced in respect of contracts for on-going services.

**Fixed assets**

All fixed assets are recorded at cost or market value.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor vehicles - Depreciated to market value annually

**Investment properties**

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Operating lease agreements**

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.

**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

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**1. ACCOUNTING POLICIES** *(continued)***Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

**2. TURNOVER**

The turnover and profit before tax are attributable to the activities described in note 1 above. An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>667,442</u>	<u>496,975</u>

**3. OPERATING PROFIT**

Operating profit is stated after charging

	2011 £	2010 £
Depreciation of owned fixed assets	290	490
Operating lease costs		
- Other	6,498	6,539
Auditor's remuneration	<u>2,600</u>	<u>2,900</u>

**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration - audit of the financial statements	<u><b>2,600</b></u>	<u><b>2,900</b></u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	<b>2011</b>	<b>2010</b>
	<b>No</b>	<b>No</b>
Number of administrative staff	<b>2</b>	<b>2</b>
Number of management staff	<b>1</b>	<b>1</b>
	<u><b>3</b></u>	<u><b>3</b></u>

The aggregate payroll costs of the above were

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>130,500</b>	<b>122,000</b>
Social security costs	<b>14,510</b>	<b>13,422</b>
	<u><b>145,010</b></u>	<u><b>135,422</b></u>

**5. DIRECTORS' REMUNERATION**

The directors' aggregate remuneration in respect of qualifying services were

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	<u><b>23,500</b></u>	<u><b>20,000</b></u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Interest payable on bank borrowing	<b>—</b>	<b>22</b>
Other similar charges payable	<b>21,254</b>	<b>23,829</b>
	<u><b>21,254</b></u>	<u><b>23,851</b></u>

**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

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**7. TAXATION ON ORDINARY ACTIVITIES****(a) Analysis of charge in the year**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 21% (2010 - 21%)	<b>3,355</b>	<b>2,286</b>
Total current tax	<b>3,355</b>	<b>2,286</b>
Deferred tax		
Origination and reversal of timing differences (note 13)		
Capital allowances	<b>(10)</b>	<b>-</b>
Tax on profit on ordinary activities	<b>3,345</b>	<b>2,286</b>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21% (2010 - 21%)

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<b>15,344</b>	<b>9,942</b>
Profit on ordinary activities by rate of tax	<b>3,222</b>	<b>2,088</b>
Expenses not deductible for tax purposes	<b>115</b>	<b>149</b>
Depreciation for period in excess of capital allowances	<b>18</b>	<b>49</b>
Total current tax (note 7(a))	<b>3,355</b>	<b>2,286</b>

**(c) Factors that may affect future tax charges**

No provision has been made for deferred tax £602,368. Such tax would become payable only if the property were sold. At present, it is not envisaged that any tax will become payable in the foreseeable future.



**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

**8. TANGIBLE FIXED ASSETS**

	<b>Freehold Investment Property £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>			
At 1st April 2010 and 31st March 2011	<u>3,537,000</u>	<u>12,063</u>	<u>3,549,063</u>
<b>DEPRECIATION</b>			
At 1st April 2010	–	9,873	9,873
Charge for the year	–	290	290
At 31st March 2011	<u>–</u>	<u>10,163</u>	<u>10,163</u>
<b>NET BOOK VALUE</b>			
At 31st March 2011	<u>3,537,000</u>	<u>1,900</u>	<u>3,538,900</u>
At 31st March 2010	<u>3,537,000</u>	<u>2,190</u>	<u>3,539,190</u>

Freehold investment properties were revalued at open market value of £3,537,000 at the year end by the Managing Director Mr R P Harwood FRICS. The historical cost of these properties was £682,347. The aggregate surplus of £2,854,653 on revaluation has been transferred to the revaluation reserve.

**9. STOCKS**

	<b>2011 £</b>	<b>2010 £</b>
Stock	<u>1,500</u>	<u>1,450</u>

**10. DEBTORS**

	<b>2011 £</b>	<b>2010 £</b>
Trade debtors	186	437
Amounts owed by group undertakings	847,993	704,242
Other debtors	1,839	1,839
Prepayments and accrued income	1,764	6,647
	<u>851,782</u>	<u>713,165</u>

The debtors above include the following amounts falling due after more than one year

	<b>2011 £</b>	<b>2010 £</b>
Amounts owed by group undertakings	<u>556,388</u>	<u>704,243</u>

**CENTRO GROUP LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31ST MARCH 2011**

**11. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY**

	2011	2010
	£	£
Corporation tax	3,355	2,284
PAYE and social security	9,129	14,881
Other creditors	35,738	35,738
	<u>48,222</u>	<u>52,903</u>

Creditors Amounts falling due within one year includes an amount of £7,319 (2010-£7,500) which was paid within one month of the year end

**12. CREDITORS: Amounts falling due after more than one year**

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2011	2010
	£	£
Mortgage	<u>899,928</u>	<u>900,202</u>

The mortgage is secured by debentures dated 29th August 1996 and 19th December 2002 over the property assets of the company The loan is interest only and the capital amount that falls due for payment after five years is £899,928 (2010-£900,202) The interest rate is equal to LIBOR plus 1 2% and the mortgage redemption date is 29 March 2017

**13. DEFERRED TAXATION**

The movement in the deferred taxation provision during the year was

	2011	2010
	£	£
Provision brought forward	236	236
Profit and loss account movement arising during the year	(10)	-
Provision carried forward	<u>226</u>	<u>236</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2011	2010
	£	£
Excess of taxation allowances over depreciation on fixed assets	<u>226</u>	<u>236</u>
	<u>226</u>	<u>236</u>

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**14. CONTINGENCIES**

There are no contingent liabilities at the year end

**15. TRANSACTIONS WITH THE DIRECTORS**

Rent of £6,498 (2010-£6,539) was payable to Core Property representing the freehold interests of the directors, R P Harwood and D E Walker

**16. RELATED PARTY TRANSACTIONS**

The company was under the immediate control of Centro Plc and the ultimate control of Mr R P Harwood FRICS throughout the current and previous year

Other members of the group controlled by Centro Plc are Centro Services Limited and Centro Commercial Limited. The amounts owed by and to the group undertakings at the year end are disclosed in the Debtors and Creditors notes to the balance sheet respectively

Included in the Administrative Expenses is an amount of £171,500 (2010-£72,000) payable to Centro Plc and £111,500 (2010-£105,000) payable to Centro Commercial Ltd in respect of management services. The Banking facility during the year was secured by an unlimited guarantee provided by group companies

**17. SHARE CAPITAL****Authorised share capital:**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
1,000 Ordinary shares of £1 each	<u><b>1,000</b></u>	<u><b>1,000</b></u>

**Allotted, called up and fully paid:**

	<b>2011</b>		<b>2010</b>
	<b>No</b>	<b>£</b>	<b>No</b>
			<b>£</b>
75 Ordinary shares of £1 each	<u><b>75</b></u>	<u><b>75</b></u>	<u><b>75</b></u>

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**18. REVALUATION RESERVE**

	2011 £	2010 £
Balance brought forward	2,854,653	2,652,653
Revaluation of fixed assets	–	202,000
Balance carried forward	<u>2,854,653</u>	<u>2,854,653</u>

No provision has been made for deferred taxation on gains recognised on revaluing property to its market value. The total amount unprovided for is £602,368. Such tax would be payable only if the property were sold. At present, it is not envisaged that any tax will become payable in the foreseeable future.

**19. PROFIT AND LOSS ACCOUNT**

	2011 £	2010 £
Balance brought forward	169,020	161,364
Profit for the financial year	11,999	7,656
Balance carried forward	<u>181,019</u>	<u>169,020</u>

**20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Profit for the financial year	11,999	7,656
Other net recognised gains and losses	–	202,000
Net addition to shareholders' funds	11,999	209,656
Opening shareholders' funds	3,023,748	2,814,092
Closing shareholders' funds	<u>3,035,747</u>	<u>3,023,748</u>

**21. ULTIMATE PARENT COMPANY**

The company is a 76% subsidiary of Centro Plc which is also the ultimate parent company.