

**SILKENDALE LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31ST OCTOBER 2005**



**THE KINNAIRD PARTNERSHIP**  
Chartered Accountants & Registered Auditors  
Anglia House  
285 Milton Road  
Cambridge  
CB4 1XQ

# **SILKENDALE LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31ST OCTOBER 2005**

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# **SILKENDALE LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

**The director**

M Rapley

**Company secretary**

T J Padian

**Registered office**

Ackworth Lodge  
High Ackworth  
West Yorkshire  
WF7 7EE

**Auditors**

The Kinnaird Partnership  
Chartered Accountants  
& Registered Auditors  
Anglia House  
285 Milton Road  
Cambridge  
CB4 1XQ

# **SILKENDALE LIMITED**

## **THE DIRECTOR'S REPORT**

### **YEAR ENDED 31ST OCTOBER 2005**

The director presents his report and the financial statements of the company for the year ended 31st October 2005.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company during the year was property development.

#### **DIRECTOR**

The director who served the company during the year was as follows:

M Rapley

The company is a wholly owned subsidiary and the interests of the group director are disclosed in the financial statements of the parent company.

#### **DIRECTOR'S RESPONSIBILITIES**

Company law requires the director to prepare financial statements for each financial year which 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 year.

In preparing those financial statements, the director is required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The director must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. The director is 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.

#### **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:  
Ackworth Lodge  
High Ackworth  
West Yorkshire  
WF7 7EE

Signed by order of the director



T J PADIAN ESQ  
Company Secretary

Approved by the director on 18 August 2006

# **SILKENDALE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF SILKENDALE LIMITED**

**YEAR ENDED 31ST OCTOBER 2005**

We have audited the financial statements of Silkendale Limited for the year ended 31st October 2005 on pages 5 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 7.

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITORS**

As described in the Statement of Director's Responsibilities the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Director's Report is not consistent with the financial statements, if 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's 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 United Kingdom Auditing Standards 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 director 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.

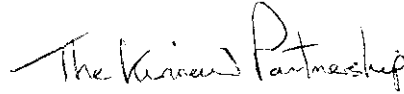
# **SILKENDALE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF SILKENDALE LIMITED *(continued)***

**YEAR ENDED 31ST OCTOBER 2005**

### **OPINION**

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st October 2005 and of its loss for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



**THE KINNAIRD PARTNERSHIP**  
Chartered Accountants  
& Registered Auditors

Anglia House  
285 Milton Road  
Cambridge  
CB4 1XQ

**0 1 AUG 2006**

**SILKENDALE LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31ST OCTOBER 2005**

	Note	2005 £	2004 £
<b>TURNOVER</b>		—	—
Cost of sales		<u>1,500</u>	<u>9,149</u>
<b>GROSS LOSS</b>		<b>(1,500)</b>	<b>(9,149)</b>
Administrative expenses		1,052	783
Other operating income		<u>(1,133)</u>	—
<b>OPERATING LOSS</b>		<b>(1,419)</b>	<b>(9,932)</b>
Interest receivable		795	899
Interest payable and similar charges		—	(63)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(624)</b>	<b>(9,096)</b>
Tax on loss on ordinary activities	2	—	(3,093)
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(624)</b>	<b>(6,003)</b>
Balance brought forward		<u>(17,704)</u>	<u>(11,701)</u>
Balance carried forward		<u><b>(18,328)</b></u>	<u><b>(17,704)</b></u>

The notes on pages 7 to 10 form part of these financial statements.

# SILKENDALE LIMITED

## BALANCE SHEET

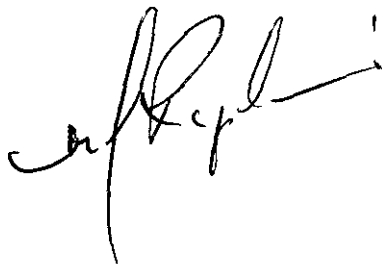
31ST OCTOBER 2005

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Investments	3	250	250
<b>CURRENT ASSETS</b>			
Stocks	4	150	150
Debtors	5	294,367	299,202
Cash at bank		7,200	3,674
		<u>301,717</u>	<u>303,026</u>
<b>CREDITORS: Amounts falling due within one year</b>	6	<u>320,294</u>	<u>320,979</u>
<b>NET CURRENT LIABILITIES</b>		<u>(18,577)</u>	<u>(17,953)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(18,327)</u>	<u>(17,703)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	9	1	1
Profit and loss account		<u>(18,328)</u>	<u>(17,704)</u>
<b>DEFICIT</b>		<u>(18,327)</u>	<u>(17,703)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on 1<sup>st</sup> August 2006

M RAPLEY  
Director



The notes on pages 7 to 10 form part of these financial statements.



# **SILKENDALE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31ST OCTOBER 2005**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### **Consolidation**

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

#### **Fixed assets**

All fixed assets are initially recorded at cost.

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Investment in associated undertaking**

The company's associated undertaking is carrying out a development project as nominee and bare trustee for its shareholders. The company's share of the transactions of the associated undertaking have been incorporated in these accounts as though they were transactions of the company.

### **2. TAXATION ON ORDINARY ACTIVITIES**

	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK Corporation tax based on the results for the year	-	(2,950)
Over/under provision in prior year	-	(143)
Total current tax	<u>-</u>	<u>(3,093)</u>

# SILKENDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31ST OCTOBER 2005

#### 3. INVESTMENTS

##### Associated undertakings

##### COST

At 1st November 2004 and 31st October 2005

£

250

##### NET BOOK VALUE

At 31st October 2005

250

At 31st October 2004

250

Details of investments in which the company holds 25% or more of the nominal value of any class of share are as follows:

Name of company and nature of business	Country of registration	Holding	Proportion of voting rights and shares held	Period end
Vexland Limited	England and Wales	Ordinary shares	50%	31st October
Festival Leisure Park Limited	England and Wales	Ordinary shares	25% Held by Vexland Limited	30th April

Vexland Limited has carried out a development project as nominee and bare-trustee for Silkendale Limited and its fellow shareholder, Marcol Ventures Limited. As a result, Silkendale Limited has included its share of the transactions of the development project in its accounts.

The unaudited accounts for Festival Leisure Park Limited to 30th April 2005 show a loss of £1,879 for the year and a deficiency of capital and reserves of £1,221.

#### 4. STOCKS

	2005 £	2004 £
Work in progress	<u>150</u>	<u>150</u>

#### 5. DEBTORS

	2005 £	2004 £
Amounts owed by group undertakings	286,629	286,629
Corporation tax repayable	2,950	2,950
Other debtors	4,788	9,623
	<u>294,367</u>	<u>299,202</u>

# SILKENDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31ST OCTOBER 2005

#### 6. CREDITORS: Amounts falling due within one year

	2005		2004	
	£	£	£	£
Amounts owed to group undertakings		14,749		14,749
Other creditors including taxation:				
VAT	1,476		1,193	
Other creditors	302,381		301,782	
Accruals and deferred income	1,688		3,255	
		<u>305,545</u>		<u>306,230</u>
		<u>320,294</u>		<u>320,979</u>

#### 7. CONTINGENCIES

There is a contingent liability of £5,266. Julian Hodge Bank Ltd has provided a contingent liability facility on behalf of Vexland Ltd concerning a Section 104 Agreement for Road 8, Pipp's Hill Business Park, Basildon, for £10,532. Silkendale Ltd owns 50% of Vexland Ltd.

#### 8. RELATED PARTY TRANSACTIONS

At the year end the amount owing by Scotfield Limited to the company was £286,629 (2004 - £286,629).

Vexland Limited has carried out a development project as nominee and bare-trustee for the company and its fellow shareholder, Marcol Ventures Limited. The company and Marcol Ventures Limited both own 50% of Vexland Limited. As a result the company has recorded its share of the transactions of Vexland Limited in its accounts.

At the year end Vexland Limited owed £291,728 (2004 - £291,728) to Marcol Ventures Limited and £296,461 (2004 - £296,461) to Scotfield Limited. Silkendale Limited has recorded its share of these balances, £294,095 (2004 - £294,095), in its accounts.

Marcol Ventures Limited has a debenture over Silkendale Limited, created on 22 September 1995 and registered on 4 October 1995. The debenture is a fixed and floating charge over all the property and assets of Silkendale Limited.

At the year end Vexland Limited owed Festival Leisure Park Limited £29,498 (2004 - £29,498). The company has recorded its share of the balance due, £14,749 (2004 - £14,749).

# SILKENDALE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31ST OCTOBER 2005

#### 8. RELATED PARTY TRANSACTIONS *(continued)*

In the year to 31st October 2003 the company sold 98.5% of the beneficial interest in the last plot in its development to Hallbeat Financial Limited. Blevin Franks Trustees Limited is the trustee of the Martin Rapley Family Trust which controls Hallbeat Financial Limited.

During the year, Silkendale Limited, as nominees for Hallbeat Financial Limited, have collected rental income from the plot totalling £33,750 (2004 - £33,244) and paid interest and bank charges of £31,334 (2004 - £30,710).

Included within other debtors is an amount of £4,651 (2004 - £4,981) owed to the company by Hallbeat Financial Limited.

At the option of Hallbeat Financial Limited the company shall purchase the development plot at its market value from Hallbeat Financial Limited.

#### 9. SHARE CAPITAL

##### Authorised share capital:

	2005	2004
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

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

	2005		2004	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

#### 10. ULTIMATE PARENT COMPANY

The ultimate parent undertaking of this company is Scotfield Limited, a company registered in England and Wales.

#### 11. CONTROLLING PARTY

The controlling party is M Rapley.

**SILKENDALE LIMITED**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31ST OCTOBER 2005**

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditors' report on pages 3 to 4.**

**SILKENDALE LIMITED****DETAILED PROFIT AND LOSS ACCOUNT****YEAR ENDED 31ST OCTOBER 2005**

	2005		2004
	£	£	£
<b>COST OF SALES</b>			
Opening land and work in progress	150		150
Construction costs	—		5,583
Legal, professional and planning fees	1,500		3,566
	<u>1,650</u>		<u>9,299</u>
Closing land and work in progress	<u>(150)</u>		<u>(150)</u>
		<u>1,500</u>	<u>9,149</u>
<b>GROSS LOSS</b>		<u>(1,500)</u>	<u>(9,149)</u>
<b>OVERHEADS</b>			
Administrative expenses		<u>1,052</u>	<u>783</u>
		<u>(2,552)</u>	<u>(9,932)</u>
<b>OTHER OPERATING INCOME</b>			
Other operating income		<u>1,133</u>	<u>—</u>
<b>OPERATING LOSS</b>		<u>(1,419)</u>	<u>(9,932)</u>
Bank interest receivable		<u>795</u>	<u>899</u>
		<u>(624)</u>	<u>(9,033)</u>
Corporation tax interest		<u>—</u>	<u>(63)</u>
<b>LOSS ON ORDINARY ACTIVITIES</b>		<u>(624)</u>	<u>(9,096)</u>

# **SILKENDALE LIMITED**

## **NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 31ST OCTOBER 2005**

	2005		2004	
	£	£	£	£
<b>ADMINISTRATIVE EXPENSES</b>				
<b>Establishment expenses</b>				
Insurance		893		550
<b>General expenses</b>				
Sundry expenses		50		137
<b>Financial costs</b>				
Bank charges		109		96
		<u>1,052</u>		<u>783</u>
<b>INTEREST RECEIVABLE</b>				
Bank interest receivable		<u>795</u>		<u>899</u>