

RIVERLAND UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2010

Company number 2845759

MONDAY



LD3 *LH3JLOC9* 73
18/10/2010
COMPANIES HOUSE

RIVERLAND UK LIMITED

Annual report and financial statements For the year ended 31 May 2010

Contents

Page:

1	Report of the directors
2	Independent auditor's report
3	Profit and loss account
4	Statement of total recognised gains and losses
5	Balance sheet
6	Notes forming part of the financial statements

Directors

C E Bush
C F Moharm
S M Pope

Secretary and registered office

C F Moharm, 55 Baker Street, London, W1U 7EU

Company number

2845759

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Bankers

Barclays Bank Plc, Pall Mall Corporate Group, 50 Pall Mall, London, SW1A 1QA

RIVERLAND UK LIMITED

Report of the directors For the year ended 31 May 2010

The directors present their report together with the audited financial statements for the year ended 31 May 2010

Results and dividends

The profit and loss account is set out on page 3 and shows the profit for the year. The directors do not recommend the payment of a dividend for the year (2009 £nil)

Principal activities, review of the business and future developments

The company's principal activity is that of property investment

Since the balance sheet date, the company has sold its sole investment property and the directors expect that the company will become inactive

Directors

The directors of the company during the year were

C E Bush
C F Moharm
S M Pope (appointed 27 November 2009)

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The directors are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 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,
- 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 company will continue in business

The directors are responsible for keeping adequate accounting records that show and explain the company's transactions, 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

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware

The company has dispensed with the obligation to appoint auditors annually. BDO LLP have expressed their willingness to continue in office

This report of the directors has been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies

By order of the Board



C F Moharm
Secretary

4 October 2010

RIVERLAND UK LIMITED

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RIVERLAND UK LIMITED

We have audited the financial statements of Riverland UK Limited for the year ended 31 May 2010 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. 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 statement of directors' responsibilities 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 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.

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 the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 May 2010 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.

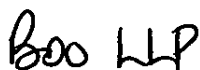
Opinion on other matters prescribed by the Companies Act 2006

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 explanation we require for our audit, or
- the directors were not entitled to prepare the directors' report in accordance with the small companies' regime.

 Boo LLP

Geraint Jones (Senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom

4 October 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

RIVERLAND UK LIMITED**Profit and loss account
For the year ended 31 May 2010**

	Note	2010 £	2009 £
Turnover	2	197,190	151,062
Property expenses		(8,628)	(30,791)
Administrative expenses		(1,898)	(1,735)
Operating profit	3	186,664	118,536
Interest receivable and similar income		-	376
Profit on ordinary activities before taxation		186,664	118,912
Taxation on profit on ordinary activities	6	(26,526)	(5,226)
Profit on ordinary activities after taxation	13	160,138	113,686

All amounts relate to continuing activities

The notes on pages 6 to 9 form part of these financial statements

RIVERLAND UK LIMITED

**Statement of total recognised gains and losses
For the year ended 31 May 2010**


	2010	2009
	£	£
Profit for the financial year	160,138	113,686
Unrealised surplus on revaluation of properties	500,000	-
Total recognised gains and losses for the financial year	<u>660,138</u>	<u>113,686</u>

The notes on pages 6 to 9 form part of these financial statements

RIVERLAND UK LIMITED
**Balance sheet
As at 31 May 2010**

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets	7		3,000,000		2,500,000
Current assets					
Debtors	8	10,763		25,413	
Creditors: amounts falling due within one year	9	(114,228)		(289,374)	
Net current liabilities			(103,465)		(263,961)
Total assets less current liabilities			2,896,535		2,236,039
Creditors: amounts falling due after more than one year	10	(150,000)		(150,000)	
Provisions for liabilities and charges	11	(73,910)		(73,552)	
			(223,910)		(223,552)
Net assets			2,672,625		2,012,487
Capital and reserves					
Called up share capital	12		500,000		500,000
Revaluation reserve	13		1,446,361		946,361
Profit and loss account	13		726,264		566,126
Shareholders' funds	14		2,672,625		2,012,487

These financial statements were approved by the board of directors and authorised for issue on 4 October 2010


C E Bush
Director

Company number 2845759

The notes on pages 6 to 9 form part of these financial statements

RIVERLAND UK LIMITED

Notes forming part of the financial statements For the year ended 31 May 2010

1 Accounting policies

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

In order to show a true and fair view the company's accounting policy in respect of investment properties departs from the requirements of the Companies Act 2006. Details of this departure are given below

The following principal accounting policies have been applied

Turnover

Turnover represents net rental and related income receivable less value added tax

Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental cost of acquisition

Investment properties

In accordance with Statement of Standard Accounting Practice 19, investment properties are revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value in which case it is charged to the profit and loss account

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Lessor incentives

Lessor incentives include rent free periods and other incentives given to lessees on entering into lease agreements

Lessor incentives to new tenants to occupy the company's investment properties are treated as revenue expenditure and initially recorded as prepayments. The payments are then charged to the profit and loss account evenly over the period to the earlier of the first rent review to the prevailing market rent and the lease end date. Where lessor incentives relate to investment properties the properties are carried at open market value less the amount of the unamortised incentive

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Riverland Holdings Limited and the company is included in consolidated financial statements

RIVERLAND UK LIMITED**Notes forming part of the financial statements (continued)
For the year ended 31 May 2010****1 Accounting policies (continued)***Related party disclosure*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, 'Related party disclosures', not to disclose transactions with members or investees of the group headed by Riverland Holdings Limited on the grounds that 100% of the voting rights in the company are controlled within the group and the company is included in consolidated financial statements

2 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom

3 Operating profit	2010 £	2009 £
This has been arrived at after charging		
Auditors' remuneration		
- audit	1,192	1,129
- tax compliance services	523	495

4 Employees

There were no persons employed by the company in the year (2009 £nil)

5 Directors

No director received any emoluments during the year (2009 £nil)

6 Taxation on profit on ordinary activities	2010 £	2009 £
Current tax		
UK corporation tax on profit for the year	26,168	10,000
Deferred tax		
Origination and reversal of timing differences	358	(4,774)
Taxation on profit on ordinary activities	26,526	5,226
<i>Tax reconciliation</i>		
Profit on ordinary activities before taxation	186,664	118,912
Profit on ordinary activities at the standard rate of corporation tax in the UK of 28% (2009 28%)	52,266	33,295
Effects of		
Capital allowances for year	(358)	(447)
Transfer pricing adjustments	(8,794)	(14,192)
Group relief	(16,946)	(8,656)
Current tax charge for year	26,168	10,000

RIVERLAND UK LIMITED

Notes forming part of the financial statements (continued) **For the year ended 31 May 2010**

7 Tangible fixed assets	Investment properties freehold land and buildings £
Cost or valuation	
At 1 June 2009	2,500,000
Revaluation surplus	500,000
At 31 May 2010	3,000,000

The investment property was valued as at 31 May 2010 by the directors on an open market value basis

The historical cost of the property is £1,553,639 (2009 £1,553,639)

8 Debtors	2010 £	2009 £
Prepayments and accrued income	-	25,413
Trade debtors	10,763	-
	10,763	25,413
All amounts fall due within one year		

9 Creditors: amounts falling due within one year	2010 £	2009 £
Amounts owed to group undertakings	63,913	264,231
Corporation tax	26,168	10,000
Accruals and deferred income	14,987	15,143
Other creditors	9,160	-
	114,228	289,374

Amounts owed to group undertakings bear no interest and have no fixed terms of repayment

10 Creditors: amounts falling due after more than one year	2010 £	2009 £
Amounts owed to group undertakings	150,000	150,000

Amounts owed to group undertakings are repayable in more than five years

11 Provisions for liabilities and charges		£
Deferred taxation		
At 1 June 2009		73,552
Charged to profit and loss account		358
At 31 May 2010		73,910
	2010 £	2009 £
Accelerated capital allowances (undiscounted)	73,910	73,552

RIVERLAND UK LIMITED**Notes forming part of the financial statements (continued)
For the year ended 31 May 2010****11 Provisions for liabilities and charges (continued)**

No provision has been made for the potential tax liability of £153,063 (2009 £46,243) which would arise if the investment property was sold at its revalued amount

12 Share capital	2010 £	2009 £
Authorised 1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called up and fully paid 500,000 ordinary shares of £1 each	500,000	500,000

13 Reserves	Revaluation reserve £	Profit and loss account £
At 1 June 2009	946,361	566,126
Profit for the year	-	160,138
Revaluation surplus	500,000	-
At 31 May 2010	1,446,361	726,264

14 Reconciliation of movements in shareholders' funds	2010 £	2009 £
Profit for the year	160,138	113,686
Revaluation surplus for the year	500,000	-
Net additions to shareholders' funds	660,138	113,686
Opening shareholders' funds	2,012,487	1,898,801
Closing shareholders' funds	2,672,625	2,012,487

15 Related party transactions

During the year management fees totalling £5,563 (2009 £5,821) and rent review fees of £nil (2009 £24,850) were payable to Berkley Estates London Limited, a fellow subsidiary of Topland Group Holdings Limited

A fee equating to 2.5% of the consideration is payable to Berkley Estates London Limited on the company's sale of its investment property referred to in note 16

16 Post balance sheet event

On 9 September 2010, the company sold for £3,000,000 its sole investment property

17 Ultimate parent company

The largest group in which the results of the company are consolidated is that headed by Topland Group Holdings Limited, a company incorporated in the British Virgin Islands. The smallest group in which they are consolidated is that headed by Riverland Holdings Limited, a company incorporated in England and Wales.

The immediate parent company is Riverland Holdings Limited, a company incorporated in England and Wales. The ultimate parent company and controlling party is Topland Group Holdings International Limited, a company incorporated in the British Virgin Islands.