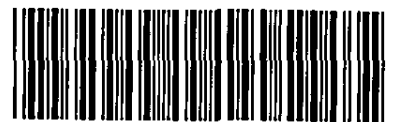


COMPANY REGISTRATION NUMBER 03222421

AVISCO PROPERTIES PLC
FINANCIAL STATEMENTS
FOR
30 SEPTEMBER 2009

THURSDAY



AYYDQ10R

A15

04/03/2010

64

COMPANIES HOUSE

EDWARDS VEEDER (OLDHAM) LLP
Chartered Accountants & Statutory Auditor
Brunswick Square
Union Street
Oldham
OL1 1DE

AVISCO PROPERTIES PLC
FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

CONTENTS	PAGE
Officers and professional advisers	1
The directors' report	2
Independent auditor's report to the shareholders	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10
The following pages do not form part of the financial statements	
Detailed profit and loss account	20
Notes to the detailed profit and loss account	21

AVISCO PROPERTIES PLC
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

P T Knill
P R Kendrick
R L Dobbs

Company secretary

R O Knill

Registered office

Brunswick Square
Union Street
Oldham
OL1 1DE

Auditor

Edwards Veeder (Oldham) LLP
Chartered Accountants
& Statutory Auditor
Brunswick Square
Union Street
Oldham
OL1 1DE

Bankers

National Westminster Bank PLC
West End
Builth Wells
Powys
LD2 3AH

AVISCO PROPERTIES PLC
THE DIRECTORS' REPORT
YEAR ENDED 30 SEPTEMBER 2009

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2009

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is the development of real estate

The turnover for the year has decreased by 82.3% to £343,048 from the previous year. The gross profit percentage is up to 29.5% from 15.6%. The net profit before taxation has decreased from £26,981 to a loss of £56,558.

The directors expect turnover to increase in the next financial year, they also expect the company to return to profitability.

RESULTS AND DIVIDENDS

The loss for the year amounted to £43,292. The directors have not recommended a dividend.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

a) Profitability: To ensure profit margins are maintained or improved and any underperforming enterprises are identified promptly.

b) Liquidity and cash flow risk: The objective of the company is to maintain a positive cash flow to enable the company to take advantage of any commercial opportunities.

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At	At
	30 September 2009	1 October 2008
P. T. Knill	12,500	12,500
P. R. Kendrick	12,500	12,500
R. L. Dobbs	<u>12,500</u>	<u>12,500</u>

POLICY ON THE PAYMENT OF CREDITORS

It is the policy of the company to pay creditors in accordance with their agreed terms of trade.

This policy has resulted in the company achieving a credit days ratio of 29 Days (2008: 31 Days).

AVISCO PROPERTIES PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2009

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,
- state whether applicable UK 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 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.

AVISCO PROPERTIES PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 SEPTEMBER 2009

AUDITOR

Edwards Veeder (Oldham) LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
Brunswick Square
Union Street
Oldham
OL1 1DE

Signed by order of the directors



R O KNILL
Company Secretary

Approved by the directors on

19 2 10

AVISCO PROPERTIES PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
AVISCO PROPERTIES PLC
YEAR ENDED 30 SEPTEMBER 2009

We have audited the financial statements of Avisco Properties PLC for the year ended 30 September 2009 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement 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 shareholders, as a body, in accordance with Sections 495 and 496 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 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 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 3, 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 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 30 September 2009 and of its loss 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.

AVISCO PROPERTIES PLC

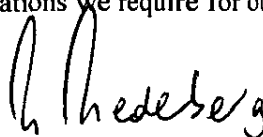
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AVISCO PROPERTIES PLC *(continued)*

YEAR ENDED 30 SEPTEMBER 2009

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



MR L LEDERBERG (Senior Statutory Auditor)
For and on behalf of
EDWARDS VEEDER (OLDHAM) LLP
Chartered Accountants
& Statutory Auditor

Brunswick Square
Union Street
Oldham
OL1 1DE

26.2.10

AVISCO PROPERTIES PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 SEPTEMBER 2009

	Note	2009 £	2008 £
TURNOVER	2	343,048	1,941,456
Cost of sales		<u>241,684</u>	<u>1,639,501</u>
GROSS PROFIT		101,364	301,955
Administrative expenses		<u>158,042</u>	<u>295,723</u>
OPERATING (LOSS)/PROFIT	3	(56,678)	6,232
Interest receivable		120	20,767
Interest payable and similar charges	6	—	(18)
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(56,558)	26,981
Tax on (loss)/profit on ordinary activities	7	<u>(13,266)</u>	<u>6,447</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(43,292)	20,534
Balance brought forward		<u>1,716,215</u>	<u>1,695,681</u>
Balance carried forward		<u>1,672,923</u>	<u>1,716,215</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

AVISCO PROPERTIES PLC

BALANCE SHEET

30 SEPTEMBER 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	8	5,272	6,891
CURRENT ASSETS			
Stocks	9	2,111,175	2,083,332
Debtors	10	6,474	27,960
Cash at bank		97	995
		<u>2,117,746</u>	<u>2,112,287</u>
CREDITORS: Amounts falling due within one year	11	<u>399,766</u>	<u>352,489</u>
NET CURRENT ASSETS		<u>1,717,980</u>	<u>1,759,798</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,723,252</u>	<u>1,766,689</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	12	329	474
		<u>1,722,923</u>	<u>1,766,215</u>
CAPITAL AND RESERVES			
Called-up equity share capital	16	50,000	50,000
Profit and loss account		<u>1,672,923</u>	<u>1,716,215</u>
SHAREHOLDERS' FUNDS	17	<u>1,722,923</u>	<u>1,766,215</u>

These financial statements were approved by the directors and authorised for issue on 19 9 10 , and are signed on their behalf by



P R KENDRICK

Company Registration Number 03222421

AVISCO PROPERTIES PLC
CASH FLOW STATEMENT
YEAR ENDED 30 SEPTEMBER 2009

	Note	2009 £	2008 £
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	18	(139,053)	(48,445)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	18	120	20,749
TAXATION	18	1	(57,786)
CASH OUTFLOW BEFORE FINANCING		(138,932)	(85,482)
FINANCING	18	3,500	(403,000)
DECREASE IN CASH	18	<u>(135,432)</u>	<u>(488,482)</u>

The notes on pages 10 to 18 form part of these financial statements.

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

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

Plant & Machinery	20% Reducing balance
Office Equipment	33% Reducing balance
Motor Vehicles	25% Reducing Balance

Stocks

Land and houses held for development has been valued at the lower of cost or net realisable value

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.

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, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

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

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

1. ACCOUNTING POLICIES *(continued)*

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 loss before tax are attributable to the one principal activity of the company. An analysis of turnover is given below.

	2009 £	2008 £
United Kingdom	<u>343,048</u>	<u>1,941,456</u>

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging

	2009 £	2008 £
Depreciation of owned fixed assets	1,619	2,152
Auditor's remuneration	<u>5,040</u>	<u>5,475</u>
	2009 £	2008 £
Auditor's remuneration - audit of the financial statements	<u>5,040</u>	<u>5,475</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

4. PARTICULARS OF EMPLOYEES

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

	2009	2008
	No	No
Number of administrative staff	3	2
Number of directors	3	4
	<u>6</u>	<u>6</u>

The aggregate payroll costs of the above were

	2009	2008
	£	£
Wages and salaries	118,200	193,500
Social security costs	9,453	48,146
	<u>127,653</u>	<u>241,646</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2009	2008
	£	£
Remuneration receivable	<u>69,996</u>	<u>153,492</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2009	2008
	£	£
Interest payable on bank borrowing	<u>—</u>	<u>18</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2009 £	2008 £
Current tax		
UK Corporation tax based on the results for the year at 28% (2008 - 29%)	-	13,234
Over provision in prior year	<u>(13,121)</u>	<u>(6,257)</u>
Total current tax	<u>(13,121)</u>	<u>6,977</u>
Deferred tax		
Origination and reversal of timing differences	<u>(145)</u>	<u>(530)</u>
Tax on (loss)/profit on ordinary activities	<u>(13,266)</u>	<u>6,447</u>

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28% (2008 - 29%)

	2009 £	2008 £
(Loss)/profit on ordinary activities before taxation	<u>(56,558)</u>	<u>26,981</u>
(Loss)/profit on ordinary activities by rate of tax	<u>(15,836)</u>	7,824
Deductible expenses	<u>(2,279)</u>	10,664
Marginal relief	4,799	(5,488)
Over provision re prior years	-	(6,257)
Depreciation in excess of capital allowances	<u>195</u>	<u>234</u>
Total current tax (note 7(a))	<u>(13,121)</u>	<u>6,977</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

8. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Office Equipment £	Motor Vehicles £	Total £
COST				
At 1 October 2008 and 30 September 2009	<u>14,352</u>	<u>9,556</u>	<u>5,000</u>	<u>28,908</u>
DEPRECIATION				
At 1 October 2008	10,612	8,514	2,891	22,017
Charge for the year	<u>748</u>	<u>344</u>	<u>527</u>	<u>1,619</u>
At 30 September 2009	<u>11,360</u>	<u>8,858</u>	<u>3,418</u>	<u>23,636</u>
NET BOOK VALUE				
At 30 September 2009	<u>2,992</u>	<u>698</u>	<u>1,582</u>	<u>5,272</u>
At 30 September 2008	<u>3,740</u>	<u>1,042</u>	<u>2,109</u>	<u>6,891</u>

9. STOCKS

	2009 £	2008 £
Stock of land	597,464	728,995
Work in progress	<u>1,513,711</u>	<u>1,354,337</u>
	<u>2,111,175</u>	<u>2,083,332</u>

10. DEBTORS

	2009 £	2008 £
Trade debtors	5,319	13,549
Other debtors	1,155	4,313
Prepayments and accrued income	—	10,098
	<u>6,474</u>	<u>27,960</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

11. CREDITORS: Amounts falling due within one year

	2009		2008
	£	£	£
Overdrafts	182,674		48,140
Trade creditors	94,989		131,628
Amounts owed to related parties (note 15)	2,311		4,252
Other creditors including taxation and social security			
Corporation tax	114		13,234
PAYE and social security	2,864		9,114
Other creditors	5,500		2,000
	<u>8,478</u>		<u>24,348</u>
Accruals and deferred income	111,314		144,121
	<u>399,766</u>		<u>352,489</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2009	2008
	£	£
Overdrafts	<u>182,674</u>	<u>48,140</u>

12. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2009
	£
Provision brought forward	474
Profit and loss account movement arising during the year	(145)
Provision carried forward	<u>329</u>

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

	2009	2008
	£	£
Excess of taxation allowances over depreciation on fixed assets	329	474
	<u>329</u>	<u>474</u>

13. CONTINGENCIES

At the year end the company had made guarantees to local authorities totalling £297,860 (2008 £318,722)

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

14. TRANSACTIONS WITH THE DIRECTORS

At the year end the directors' current accounts outstanding were as follows

	2009 £	2008 £
P T Knill	—	—
P R Kendrick	—	—
R L Dobbs	—	—

During the year Mr P.T Knill director and shareholder of the company and Mr R O Knill shareholder (director in 2008) sold land to the company for £NIL (2008 £118,544) at arms length basis

15. RELATED PARTY TRANSACTIONS

The company paid £6,000 in respect of management fees (2008 £25,800) to Link Group Limited a company in which P T Knill is materially interested as a director and shareholder and R O Knill (director in 2008) is materially interested as a shareholder .

At the balance sheet date £2,311 (2008 £4,252) was owed to Link Group Limited This balance has been transferred from the purchase ledger and was paid in full in October 2009

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

	2009 £	2008 £
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

Allotted, called up and fully paid:

	2009 No	£	2008 No	£
Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
(Loss)/Profit for the financial year	(43,292)	20,534
Opening shareholders' funds	<u>1,766,215</u>	<u>1,745,681</u>
Closing shareholders' funds	<u>1,722,923</u>	<u>1,766,215</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

18. NOTES TO THE CASH FLOW STATEMENT

**RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH OUTFLOW
FROM OPERATING ACTIVITIES**

	2009	2008
	£	£
Operating (loss)/profit	(56,678)	6,232
Depreciation	1,619	2,152
(Increase)/decrease in stocks	(27,843)	18,828
Decrease in debtors	21,486	2,686
Decrease in creditors	(77,637)	(78,343)
Net cash outflow from operating activities	<u>(139,053)</u>	<u>(48,445)</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2009	2008
	£	£
Interest received	120	20,767
Interest paid	—	(18)
Net cash inflow from returns on investments and servicing of finance	<u>120</u>	<u>20,749</u>

TAXATION

	2009	2008
	£	£
Taxation	<u>1</u>	<u>(57,786)</u>

FINANCING

	2009	2008
	£	£
Repayment of bank loans	—	(400,000)
Net inflow/(outflow) from other short-term creditors	<u>3,500</u>	<u>(3,000)</u>
Net cash inflow/(outflow) from financing	<u>3,500</u>	<u>(403,000)</u>

AVISCO PROPERTIES PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2009

18. NOTES TO THE CASH FLOW STATEMENT *(continued)***RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2009		2008	
	£	£	£	£
Decrease in cash in the period	(135,432)		(488,482)	
Net cash outflow from bank loans	—		400,000	
Net (inflow) from/outflow from other short-term creditors	(3,500)		3,000	
		(138,932)		(85,482)
Change in net debt		(138,932)		(85,482)
Net debt at 1 October 2008		(49,145)		36,337
Net debt at 30 September 2009		(188,077)		(49,145)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Oct 2008 £	Cash flows £	At 30 Sep 2009 £
Net cash			
Cash in hand and at bank	995	(898)	97
Overdrafts	(48,140)	(134,534)	(182,674)
	(47,145)	(135,432)	(182,577)
Debt			
Debt due within 1 year	(2,000)	(3,500)	(5,500)
Net debt	(49,145)	(138,932)	(188,077)