

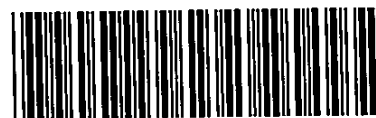
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**EDGESIDE LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**31st MARCH 2011**

TUESDAY



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20/12/2011  
COMPANIES HOUSE

**Edgeside Limited**

**Directors**

J D Chandris (Chairman)  
M D Chandris  
E A Tomazos  
A E Tomazos  
D N D Mavridoglou

**Secretary and Registered Office**

D Dibsdall  
Lynton House  
7-12 Tavistock Square, London, WC1H 9LT

**Registered Number**

03371853

**Report of the Directors**

The Directors present their report and the audited financial statements for the year ended 31st March 2011

**Review of Activities**

The principal activities of the Company are those of investing and dealing in properties

The Directors anticipate a similar level of profitability in the forthcoming year

**Results and Dividends**

The profit for the year after taxation amounted to £120,947 (2010 £104,940) and has been credited to the profit and loss account reserve

The Directors do not recommend the payment of a dividend for the year

**Directors**

In accordance with the Articles of Association, Mr J D Chandris will retire at the Annual General Meeting, and will offer himself for re-election

**Statement as to Disclosure of Information to Auditors**

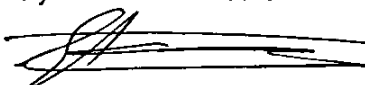
Each of the persons who are directors at the time when this report is approved has confirmed that

- (a) so far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) each Director has taken all the steps that ought to have been taken as a Director, including making appropriate enquiries of fellow directors and the Company's auditors for that purpose, in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information

**Small Companies Exemption**

This report has been prepared in accordance with the small companies regime of the Companies Act 2006

By Order of the Board



E A TOMAZOS

Director

**Edgeside Limited****Statement of 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 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 these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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.

**Independent Auditors' Report to the Shareholders of Edgeside Limited**

We have audited the financial statements of Edgeside Limited for the year ended 31st March 2011 which are set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 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 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.

**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. 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.

**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 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors 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, or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime.

Michael Kotsapas, *Senior Statutory Auditor*  
For and on behalf of Moore Stephens LLP, *Statutory Auditor*  
150 Aldersgate Street  
London, EC1A 4AB

20 December 2011

## Edgeside Limited

**Profit and Loss Account**  
**For the year ended 31st March 2011**

	<u>Note</u>	<u>2011</u> £	<u>2010</u> £
<b>Turnover</b>	1(b)	267,996	254,479
Cost of sales		<u>(69,132)</u>	<u>(86,881)</u>
<b>Gross Profit</b>		198,864	167,598
Administrative expenses		<u>(45,069)</u>	<u>(40,767)</u>
<b>Operating Profit</b>	2	153,795	126,831
Interest payable	3	(64,409)	(71,829)
Interest receivable		<u>31,561</u>	<u>49,938</u>
<b>Profit on Ordinary Activities before Taxation</b>		120,947	104,940
Taxation on profit on ordinary activities	4	<u>-</u>	<u>-</u>
<b>Profit for the Financial Year</b>		<u>120,947</u>	<u>104,940</u>

**Summary of Profit and Loss Account**

Retained profit at 1st April 2010	2,199,257	2,094,317
Profit for the financial year	<u>120,947</u>	<u>104,940</u>
Retained profit at 31st March 2011	<u>2,320,204</u>	<u>2,199,257</u>

There are no recognised gains or losses other than those included in the profit and loss account

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

## Edgeside Limited

## Balance Sheet - 31st March 2011

	Note	2011		2010	
		£	£	£	£
<b>Current Assets</b>					
Stock	5	2,221,151		2,094,240	
Debtors	6	4,016,477		18,278	
Cash at bank and in hand		<u>182,311</u>		<u>4,101,919</u>	
			6,419,939		6,214,437
<b>Creditors, amounts falling due within one year</b>					
	7		<u>(99,733)</u>		<u>(15,178)</u>
<b>Net Current Assets</b>			6,320,206		6,199,259
<b>Creditors, amounts falling after more than one year</b>					
	8		<u>(4,000,000)</u>		<u>(4,000,000)</u>
<b>Total Assets less Current Liabilities</b>			<u>2,320,206</u>		<u>2,199,259</u>
<b>Capital and Reserves</b>					
Called up share capital	9		2		2
Profit and loss account			<u>2,320,204</u>		<u>2,199,257</u>
<b>Shareholder's Funds</b>	10		<u>2,320,206</u>		<u>2,199,259</u>

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

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board on 8.12.2011  
and signed on their behalf by

  
J D CHANDRIS  
Director

  
E A TOMAZOS  
Director

## Edgeside Limited

## Financial Statements for the year ended 31st March 2011

## Notes

## 1 Principal Accounting Policies

## (a) Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

## (b) Turnover

Turnover represents the net proceeds of dealing and development property disposals and rental income from property. Profits and losses on disposals of property are recognised in the profit and loss account when the Company has become party to the sale contract. Rental income is recognised on a straight line basis over the period of the lease.

## (c) Stock and classification of property

Stock includes dealing and development property and is valued at the lower of cost and net realisable value. Development property comprises the cost to the Company of acquiring the land and development expenditure. Property is classified as stock when it is the Directors' intention to hold the property for trading.

Property is classified as investment property when construction work and development have been completed and the property is held for its investment potential. The Company does not hold any investment property.

## (d) Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is provided on timing differences that have originated but not reversed by the balance sheet date on a non-discounted basis. Deferred taxation assets are recognised only to the extent that it is more likely than not that there will be suitable trading profits from which future reversals of the underlying timing differences can be deducted. No provision is made where the amounts involved are not material.

## 2 Operating Profit

Operating profit is stated after charging

	<u>2011</u>	<u>2010</u>
	£	£
Auditors' remuneration – statutory audit	8,234	9,469
Auditors' remuneration – tax	<u>1,800</u>	<u>1,792</u>

All turnover is attributable to markets within the United Kingdom

## 3 Interest Payable

	<u>2011</u>	<u>2010</u>
	£	£
Interest payable on bank loans	<u>64,409</u>	<u>71,829</u>

**Edgeside Limited****Financial Statements for the year ended 31st March 2011****Notes (Continued)****4 Taxation on Profit on Ordinary Activities****I Taxation based on the profits for the year**

	<u>2011</u>	<u>2010</u>
	£	£
UK corporation tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

**II Reconciliation of tax charge**

	<u>2011</u>	<u>2010</u>
	£	£
Profit on ordinary activities before tax	120,947	104,940
Tax on profit on ordinary activities at 28%	33,865	29,383
Transfer pricing adjustment on group balance	13,363	-
Group relief	<u>(47,228)</u>	<u>(29,383)</u>
	<u>-</u>	<u>-</u>

**5 Stock**

	<u>2011</u>	<u>2010</u>
	£	£
Dealing properties	<u>2,221,151</u>	<u>2,094,240</u>

The Directors are of the opinion that the replacement value of stock is in excess of £7,500,000 (2010 £6,500,000)



## Edgeside Limited

## Financial Statements for the year ended 31st March 2011

## Notes (Continued)

## 6 Debtors

	<u>2011</u>	<u>2010</u>
	£	£
Trade debtors	927	5,136
Prepayments and accrued income	16,783	13,142
Amounts due from parent company	<u>3,998,767</u>	<u>-</u>
	<u>4,016,477</u>	<u>18,278</u>

The amounts due from the parent company are unsecured, interest free and repayable on demand

## 7 Creditors, amounts falling due within one year

	<u>2011</u>	<u>2010</u>
	£	£
Accruals and deferred income	<u>99,733</u>	<u>15,178</u>
	<u>99,733</u>	<u>15,178</u>

## 8 Creditors, amounts falling due after more than one year

	<u>2011</u>	<u>2010</u>
	£	£
Bank loan due		
Between two and five years	<u>4,000,000</u>	<u>4,000,000</u>
	<u>4,000,000</u>	<u>4,000,000</u>

The loan is repayable in one bullet payment on 31st December 2013 and bears interest at 0.55% over LIBOR

It is secured as follows

- (a) By a first legal charge secured over the leasehold dealing properties of Edgeside Limited
- (b) By a guarantee from Leathbond Limited (the parent company) for the amount of £2,200,000
- (c) A charge over a cash deposit held by the parent company

## 9 Share Capital

	<u>2011</u>	<u>2010</u>
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**Edgeside Limited****Financial Statements for the year ended 31st March 2011****Notes (Continued)****10 Reconciliation of Movements in Shareholder's Funds**

	<u>2011</u>	<u>2010</u>
	£	£
Profit for the financial year	120,947	104,940
Opening shareholder's funds	<u>2,199,259</u>	<u>2,094,319</u>
Closing shareholder's funds	<u>2,320,206</u>	<u>2,199,259</u>

**11 Parent Company and Ultimate Parent Undertaking**

In the opinion of the Directors, the immediate parent company at 31st March 2011 was Leathbond Limited, a company incorporated in the United Kingdom. The ultimate parent undertaking is The Spring Partnership. There is no single controlling party.

Copies of the parent company's financial statements may be obtained from its company secretary at Lynton House, 7-12 Tavistock Square, London, WC1H 9LT.

**12 Related Party Transactions**

In accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008) the Company has taken advantage of the exemptions available not to disclose details of transactions with group undertakings, for which group accounts are publicly available.