

WILDMOOR (HARINGEY) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2010

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WILDMOOR (HARINGEY) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31 MARCH 2010

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WILDMOOR (HARINGEY) LIMITED
INDEPENDENT AUDITOR'S REPORT TO WILDMOOR (HARINGEY)
LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts which comprise the Balance Sheet and the related notes, together with the financial statements of Wildmoor (Haringey) Limited for the year ended 31 March 2010 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Other information

On 5/9/11 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph

WILDMOOR (HARINGEY) LIMITED

INDEPENDENT AUDITOR'S REPORT TO WILDMOOR (HARINGEY) LIMITED *(continued)*

UNDER SECTION 449 OF THE COMPANIES ACT 2006

Emphasis of matter - Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern

The company incurred a loss of £6,571,900 during the year ended 31 March 2010, after providing against £2,299,140 of loans due from certain associated companies, and had net assets of £8,156,461 and net current liabilities of £45,239,512 at that date. At the balance sheet date the company was due a net balance of £3,786,912, after the provision for doubtful debts in the year of £2,299,140, from certain associated companies, the recoverability of which is dependent upon the ability of those companies to realise funds from the disposal of investment properties. Since the year end the company has sold all of its investment properties for proceeds of £53,040,000, plus additional deferred consideration currently estimated to be £4,000,000 before relevant professional costs, and repaid the two commercial loans secured against the properties of £46,870,687 in full. The estimated tax liability on disposal of the properties is not expected to exceed £2,500,000, which the company will only be able to settle on recovery of the contingent disposal proceeds. A deferred tax provision has been included for this balance. The ability of the company to continue as a going concern is therefore, now dependent on the recoverability of the amounts owed to the company by certain associated companies, on the successful recovery of the contingent disposal proceeds, and on the director successfully identifying further property to acquire and manage.

These conditions, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

Old Mill Audit LLP

ANDREW MOORE (Senior Statutory Auditor)
For and on behalf of
OLD MILL AUDIT LLP
Chartered Accountants & Statutory Auditor

The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

5 September 2011

WILDMOOR (HARINGEY) LIMITED

ABBREVIATED BALANCE SHEET

31 MARCH 2010

| | Note | 2010 £ | 2009 £ |
|---|----------|--------------|--------------|
| Fixed assets | 2 | | |
| Tangible assets | | 55,895,973 | 55,334,273 |
| Current assets | | | |
| Debtors | | 4,913,084 | 8,674,242 |
| Cash at bank and in hand | | 973,254 | 690,810 |
| | | 5,886,338 | 9,365,052 |
| Creditors: Amounts falling due within one year | 3 | 51,125,850 | 50,542,664 |
| Net current liabilities | | (45,239,512) | (41,177,612) |
| Total assets less current liabilities | | 10,656,461 | 14,156,661 |
| Provisions for liabilities | | 2,500,000 | - |
| | | 8,156,461 | 14,156,661 |
| Capital and reserves | | | |
| Called-up equity share capital | 4 | 2 | 2 |
| Revaluation reserve | | 30,119,780 | 29,548,080 |
| Profit and loss account | | (21,963,321) | (15,391,421) |
| Shareholders' funds | | 8,156,461 | 14,156,661 |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on

19.4

 Mr M D Booth
 Director

Company Registration Number 03579099

The notes on page 3 form part of these abbreviated accounts

WILDMOOR (HARINGEY) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2010

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, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The company incurred a loss of £6,571,900 during the year ended 31 March 2010, after providing against £2,299,140 of loans due from certain associated companies, and had net assets of £8,156,461 and net current liabilities of £45,239,512 at that date. A net balance of £3,786,912, after the provision for doubtful debts in the year of £2,299,140 from certain associated companies, the recoverability of which is dependant on the ability of those companies to realise funds from the disposal of investment properties. Since the year end the company has sold all of its investment properties for proceeds of £53,040,000, plus additional deferred consideration currently estimated to be £4,000,000 before relevant professional costs, and repaid the two commercial loans secured against the properties of £46,870,687 in full. The estimated tax liability on disposal of the properties is not expected to exceed £2,500,000, which the company will only be able to settle on recovery of the contingent disposal proceeds. A deferred tax provision has been included for this balance.

The financial statements have been prepared on a going concern basis, the validity of which depends on the director's ability to successfully manage the company's working capital requirements whilst further property is being identified to acquire and manage, on the recoverability of amounts owed to the company by certain associated companies, and on the successful recovery of the contingent disposal proceeds of £4,000,000.

During the period under review and the period since the balance sheet date the director has successfully managed the company's working capital requirements by utilising funds available across the companies under his control to ensure all companies can meet their debts as they fall due. The director, and the companies under his control, are committed to continuing such action should this be required. Since disposing of the company's investment properties after the year end and repaying the commercial loans secured against it in full the company no longer has any debt other than the amounts it owes to certain associated companies. These companies have provided written assurances that these balances will not be due for repayment within 12 months of approving the financial statements.

WILDMOOR (HARINGEY) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2010

Ongoing running costs have also been significantly reduced as a result of the property sale. Forecasts have been prepared by the company for the period to August 2012 which show that sufficient cash is also available to the company to meet its working capital requirements for a period of at least 12 months of approving the financial statements so as not to jeopardise the going concern status of the company nor to prejudice the interest of the creditors providing the company successfully recovers from the contingent disposal proceeds of £4,000,000. The deferred disposal proceeds are contingent on the successful conclusion of three outstanding rent reviews to their estimated rental values. These units are currently being rented below current market values. Should the contingent proceeds not be recovered the company would be unable to meet the tax liability, which is not expected to exceed £2,500,000, without obtaining alternative financing or successfully recovering some of the loans due from certain associated companies. At present the company has no immediate requirement to seek repayment of the balances owed to it by certain associated companies as alternative working capital is available. Although these companies operate within the property sector and rely upon third party loan finance the director is confident that the net balance of £3,786,912 can be recovered from the proceeds which would be generated should those companies decide to dispose of their investment properties.

Whilst the director accepts that there is material uncertainty in relation to the factors discussed above, he is of the view that the company is well placed to withstand any adverse situation which might arise over the foreseeable future. For these reasons the director believes that it is appropriate that the financial statements should be prepared on a going concern basis.

Turnover

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

Rental income is recognised when it falls due and is apportioned over the life of the lease to cover lease incentives.

Investment properties

Investment properties are revalued annually at their open market value in accordance with FRSSE (effective April 2008). The surplus or deficit on revaluation is transferred to a revaluation reserve except where the deficit reduces the property below its historical cost, in which case it is taken to the profit and loss account.

No depreciation is provided on investment properties which is a departure from the requirements of the Companies Act 2006. In the opinion of the directors these properties are held primarily for their investment potential and so their current value is of more significance than any measure of consumption and to depreciate them would not give a true and fair view. The provisions of the FRSSE (effective April 2008) in respect of investment properties have therefore been adopted in order to give a true and fair view. If this departure from the Act had not been made, the loss for the year would have been increased by depreciation.

However, the amount of depreciation cannot reasonably be quantified and the amount which might otherwise have been shown cannot be separately identified or quantified.

WILDMOOR (HARINGEY) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2010

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 that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

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

In accordance with the FRSSE, deferred tax is not recognised on revaluation on the investment property as there is no commitment to sell the asset

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

2. Fixed assets

| | Tangible Assets £ |
|--------------------------|----------------------------------|
| Cost or valuation | |
| At 1 April 2009 | 55,334,273 |
| Disposals | (10,002) |
| Revaluation | 571,702 |
| At 31 March 2010 | <u>55,895,973</u> |
| Depreciation | <u>—</u> |
| Net book value | |
| At 31 March 2010 | <u>55,895,973</u> |
| At 31 March 2009 | <u>55,334,273</u> |

WILDMOOR (HARINGEY) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 MARCH 2010

2. Fixed assets (continued)

The company's investment properties were sold on 18 November 2010 and have been valued at initial sale proceeds plus an estimate of additional deferred consideration less the value of lease incentive premiums included within other debtors. The director considers this to be an appropriate valuation as at 31 March 2010.

The comparable historical aggregate cost of the properties included at valuation is £25,776,192 (2009 - £25,786,194).

3. Creditors: Amounts falling due within one year

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

| | 2010 £ | 2009 £ |
|---------------------------|-------------------|-------------------|
| Bank loans and overdrafts | <u>46,870,688</u> | <u>46,870,687</u> |

4. Share capital

Allotted, called up and fully paid:

| | 2010 | | 2009 |
|------------------------------|----------|----------|-------------------|
| | No | £ | No £ |
| 2 Ordinary shares of £1 each | <u>2</u> | <u>2</u> | <u>2</u> <u>2</u> |

5. Post balance sheet events

The company disposed of its investment properties on 18 November 2010 for initial proceeds of £53,040,000 plus additional deferred consideration which is currently estimated by the director to be £4,000,000 before relevant professional costs. The deferred consideration is dependent on the outcome of certain rent reviews producing an uplift in annual rental income. Following completion of the sale, the commercial loans of £46,870,688 were repaid in full. A deferred tax liability has been provided on the gain.