WILDMOOR (HARINGEY) LIMITED

Abbreviated Accounts

For the year ended 31 March 2009

Company Registration No 03579099 (England And Wales)

WILDMOOR (HARINGEY) LIMITED

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WILDMOOR (HARINGEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO WILDMOOR (HARINGEY) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 3 to 8, together with the financial statements of Wildmoor (Haringey) Limited for the year ended 31 March 2009 prepared under section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with section 247B of the Companies Act 1985 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 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, for our work, for this report, or for the opinions we have formed

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985 It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" 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 sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions

Other Information

On 5 May 2011 we reported, as auditors of Wildmoor (Haringey) Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 2009, and our report included the following paragraph

WILDMOOR (HARINGEY) LIMITED

INDEPENDENT AUDITORS' REPORT TO WILDMOOR (HARINGEY) LIMITED (CONTINUED) UNDER SECTION 247B OF THE COMPANIES ACT 1985

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 1 to the financial statements concerning the company's ability to continue as a going concern

The company incurred a loss of £4,458,236 during the year ended 31 March 2009, after providing against £2,716,334 of loans due from certain associated companies, and had net assets of £14,156,661 at that date At the balance sheet date the company was due a net balance of £6,552,455, after the provision for doubtful debts in the year of £2,716,334, 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 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 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

Kingston Smith LLP

Kingston Smith LLP

5 May 2011

Chartered Accountants
Registered Auditors

Devonshire House
60 Goswell Road
London
EC1M 7AD

WILDMOOR (HARINGEY) LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31 MARCH 2009

	Notes	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Tangible assets	2		55,334,273		69,007,571
Current assets					
Debtors	3	8,674,242		11,423,716	
Cash at bank and in hand		690,810		589,275	
		9,365,052		12,012,991	
Creditors amounts falling due within one year	4	(50,542,664)		(48,650,881)	
Net current liabilities			(41,177,612)		(36,637,890)
Total assets less current liabilities			14,156,661		32,369,681
Capital and reserves					
Called up share capital	5		2		2
Revaluation reserve			29,548,080		43,302,864
Profit and loss account			(15,391,421)		(10,933,185)
Shareholders' funds			14,156,661		32,369,681

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the Director for issue on 26 April 2011

M D Booth
Director

Company Registration No 03579099

1 Accounting policies

1 1 Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The company incurred a loss of £4,458,236 during the year ended 31 March 2009, after providing against £2,716,334 of loans due from certain associated companies, and had net assets of £14,156,661 at that date A net balance of £6,552,455, after the provision for doubtful debts, was owed to the company by certain associated companies as at 31 March 2009 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

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

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 April 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 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 out at 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 £6,552,455 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 is it appropriate that the financial statements should be prepared on a going concern basis

1 Accounting policies **(continued)**

1 2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1 3 Turnover

Turnover represents the value of rent receivable on tenanted commercial property net of VAT

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value, net of capital contribution payments made to tenants as lease incentives

Although this accounting policy is in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified

1 5 Revenue recognition

Rental income is recognised when it falls due and is apportioned over the life of the lease to cover rent free periods

1 6 Deferred taxation

In accordance with the Financial Reporting Standard for Smaller Entities, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date

2 Fixed assets

	Investment properties £
Cost or valuation	
At 1 April 2008	69,007,571
Additions	81,486
Revaluation	(13,754,784)
At 31 March 2009	55,334,273

Reconciliation of Net Book Value to Valuation

Valuation	57,000,000
Lease Incentives	(1,665,727)
	55,334,273

The company's investment properties were professionally valued as at 31 March 2009, at an open market value, by the director M D Booth, a qualified Chartered Surveyor, having taken appropriate professional advice from A Peattie, an independent Chartered Surveyor A yield of 6 25% was applied to actual rent receivable, or estimated rental values where a unit was vacant or rented out at below market value, with an allowance for purchaser's costs of 5 75%, giving an open market value at 31 March 2009 of £57,000,000 The director considers this to be an appropriate valuation as at 31 March 2009

The comparable historical aggregate cost of the properties included at valuation is £25,786,193 (2008 - £25,704,707)

3 Debtors

Debtors include an amount of £1,104,077 (2008 - £647,727) which is due after more than one year

WILDMOOR (HARINGEY) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2009

4 Creditors amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £46,870,687 (2008 - £45,725,954)

One of the company's lenders has provided a short term loan account facility limited to £2,500,000 and secured by a second fixed charge over the company's investment properties At the balance sheet date an amount of £2,500,000 has been advanced to the company under this facility which was repayable in full in August 2008 Interest has been charged at a fixed rate of 27 5% per annum from this date, compounded at monthly rates In addition, the director has provided a personal guarantee to secure all monies owed in respect of this loan

A further lender has provided a commercial loan account facility limited to £46,000,000 and secured by a first fixed charge over the company's investment properties and by a floating charge over the company's remaining assets At the balance sheet date an amount of £44,370,687 has been advanced to the company under this facility which is repayable in August 2011 Interest is charged at a fixed rate of 5 57% per annum on £33,000,000, a fixed rate of 6 40% per annum on £7,500,000 and a fixed rate of 5 90% per annum on the remaining balance At the balance sheet date the company had not complied with an undertaking in the loan agreement As a result the loan of £44,370,688 has been reclassified as falling due within one year although scheduled repayments currently remain unchanged

5 Share capital

	2009	2008
	£	£
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

6 Transactions with directors

During the year loan interest of £nil (2008 - £198,973) was charged to the director, M D Booth, in respect of a loan advanced to him At the balance sheet date M D Booth owed the company £nil (2008 - £nil)

7 Control

The company is controlled by M D Booth, the director of the company, by virtue of his 100% shareholding in the company

8 Related party transactions

At the balance sheet date the following balances were outstanding with companies owned by the director, M D Booth These amounts are unsecured, interest free and repayable on demand The balances are shown prior to the accumulated provision for doubtful debts of £8,196,734

Balance owed by Wildmoor (Cirencester) Limited £2,318,989 (2008 - £1,588,878)
Balance owed by Wildmoor (Imperial Arcade) Limited £1,544,051 (2008 - £1,134,569)
Balance owed by Wildmoor Northpoint Limited £2,095,489 (2008 - £2,504,318)
Balance owed by Wildmoor (Fakenham) Limited £118,340 (2008 - £445,814)
Balance owed by Wildmoor (Brighton) Limited £1,736,296 (2008 - £3,677,080)
Balance owed by Forsters Shelfco 220 Limited £645,788 (2008 - £699,073)
Balance owed by Forsters Shelfco 233 Limited £357,318 (2008 - £528,747)
Balance owed by Wildmoor (Kings Head Hotel, Cirencester) Limited £2,542,409 (2008 - £1,891,192)
Balance owed by Wildmoor (Cricklade Street) Limited £873,582 (2008 - £941,306)
Balance owed by Corn Hall Arcade Limited £203,760 (2008 - £139,525)
Balance owed by Wildmoor (Hull) Limited £85,691 (2008 - £nil)
Balance owed by Wildmoor (Ingram) Limited £80,573 (2008 - £125,333)
Balance owed by Strapbase Limited (trading as Wildmoor Properties) £1,400,439 (2008 - £1,776,039)
Balance owed to Wildmoor (Watford) Limited £134,801 (2008 - £426,870)
Balance owed to Kings Head Cirencester LLP £nil (2008 - £311,376)
Balance owed by/(to) Swan Yard (Cirencester) Limited £746,464 (2008 - £(913))
Balance owed to Wildmoor Investments Limited £241,214 (2008 - £158,027)
Balance owed to Wildmoor (Crowborough) Limited £167,987 (2008 - £283,278)

During the period property management fees of £400,000 (2008 - £250,000) were paid to Strapbase Limited (trading as Wildmoor Properties)

9 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 dependant on the outcome of certain rent reviews producing an uplift in annual rental income Following completion of the sale, the commercial loans of £46,870,687 were repaid in full Corporation tax, which is not expected to exceed £2,500,000, will be due on the gain made