

Company Registration No. 3799996 (England and Wales)

GILBRAN (ASHFORD) LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2008

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GILBRAN (ASHFORD) LIMITED

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GILBRAN (ASHFORD) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their report and financial statements for the year ended 31 December 2008.

Principal activities

The principal activity of the company is that of property trading and development.

Directors

The following directors have held office since 1 January 2008:

N Smith

J Button

S Bailey

(Resigned 9 February 2009)

(Appointed 9 February 2009)

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Gerald Edelman be reappointed as auditors of the company will be put to the Annual General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

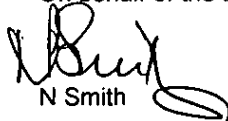
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



N Smith

Director

30 September 2009

GILBRAN (ASHFORD) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF GILBRAN (ASHFORD) LIMITED

We have audited the financial statements of Gilbran (Ashford) Limited for the year ended 31 December 2008 set out on pages 4 to 8. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 the directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited. As indicated in note 5 to the financial statements the company's stock of property has not been revalued since 31 December 2007, and we have been unable to obtain sufficient appropriate audit evidence concerning the valuation of the property. Because of the possible significance of this matter we have been unable to form a view on the financial statements. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

GILBRAN (ASHFORD) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF GILBRAN (ASHFORD) LIMITED

Opinion: Disclaimer on view given by financial statements

Because of the possible effect of the limitation in evidence available to us we are unable to form an opinion as to whether the financial statements:

- Give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended; and
- Have been properly prepared in accordance with the Companies Act 1985.

In respect solely of the limitation of our work referred to above we have not obtained all of the information and explanations that we considered necessary for the purpose of our audit.

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the Directors' report is consistent with the financial statements.



Gerald Edelman

30 September 2009

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

GILBRAN (ASHFORD) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 £	2007 £
Turnover		114,539	107,710
Administrative expenses		(21,058)	(19,892)
Operating profit		93,481	87,818
Other interest receivable and similar income	2	27	136
Interest payable and similar charges	3	(85,546)	(85,645)
Profit on ordinary activities before taxation		7,962	2,309
Tax on profit on ordinary activities	4	-	-
Profit for the year	10	7,962	2,309

GILBRAN (ASHFORD) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
Current assets					
Stocks	5	2,250,000		2,250,000	
Debtors	6	273,865		216,976	
Cash at bank and in hand		-		33,134	
		<u>2,523,865</u>		<u>2,500,110</u>	
Creditors: amounts falling due within one year	7	<u>(48,006)</u>		<u>(32,213)</u>	
Total assets less current liabilities			2,475,859		2,467,897
Creditors: amounts falling due after more than one year	8		<u>(1,363,133)</u>		<u>(1,363,133)</u>
			<u>1,112,726</u>		<u>1,104,764</u>
Capital and reserves					
Called up share capital	9		100		100
Revaluation reserve	10		1,272,379		1,272,379
Profit and loss account	10		<u>(159,753)</u>		<u>(167,715)</u>
Shareholders' funds			<u>1,112,726</u>		<u>1,104,764</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board for issue on 30 September 2009


N Smith
Director

COMPANY NUMBER 3799996

GILBRAN (ASHFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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 amounts receivable from property related income net of VAT.

1.4 Stock

Stock of property is shown at replacement cost in line with the alternative accounting rules embodied in the Companies Act 1985.

1.5 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Investment income

	2008 £	2007 £
Bank interest	27	136
	<u>27</u>	<u>136</u>

3 Interest payable

	2008 £	2007 £
On building society loan	85,546	85,645
	<u>85,546</u>	<u>85,645</u>

4 Taxation

There is no charge to corporation tax due to tax losses brought forward subject to agreement by HM Revenue and Customs.

GILBRAN (ASHFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

5	Stocks	2008 £	2007 £
	Stocks	2,250,000	2,250,000

The stock of property is shown at replacement cost in line with the alternative accounting rules embodied in the Companies Act 1985. The property was last formally valued by Drivers Jonas during the year ended 31 December 2007. Whilst there has been a downturn in the commercial property market since the last valuation date with falls in capital values across the market, due to volatility and a lack of comparable transactions it is difficult to quantify this precisely. In the opinion of the directors it is likely that the value of the stock of property has decreased by approximately 10% though rental income stream remains intact and serviceability of debt is good. The historical cost of the property is £977,621. Should the property be sold for the revalued amount a liability to taxation would arise of approximately £380,000. This amount has not been provided for as a liability.

6	Debtors	2008 £	2007 £
	Amounts owed by group companies	273,865	216,976

7	Creditors: amounts falling due within one year	2008 £	2007 £
	Taxation and social security	3,474	4,053
	Other creditors	44,532	28,160
		48,006	32,213

8	Creditors: amounts falling due after more than one year	2008 £	2007 £
	Bank loans	1,363,133	1,363,133
	Analysis of loans		
	Wholly repayable within five years	1,363,133	1,363,133

The mortgage is secured by fixed and floating charges over the stock of property and all other assets of the company and a cross-guarantee with other members of the Group.

GILBRAN (ASHFORD) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2008

9	Share capital	2008 £	2007 £
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
	Allotted, called up and fully paid		
	100 Ordinary shares of £1 each	100	100

10 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 January 2008	1,272,379	(167,715)
Profit for the year	-	7,962
Balance at 31 December 2008	1,272,379	(159,753)

11 Control

The company is a wholly-owned subsidiary of Gilbran Group Limited. The ultimate controlling company is Gilbran Holdings Limited with N Smith being the ultimate controlling party.

12 Related party transactions

Included in debtors is an amount due from Gilbran Group Limited of £273,865 (2007 £216,976), the parent company in which N Smith has a material interest. There are no terms of repayment nor interest attached to this amount.

During the year management charges of £20,000 were charged by Gilbran (Management) Limited, a fellow subsidiary company.