# WILDMOOR (BRIGHTON) LIMITED

## ABBREVIATED ACCOUNTS

## FOR THE YEAR ENDED

## 31ST MARCH 2007

Registered Number: 3874589

## INDEPENDENT AUDITORS' REPORT TO WILDMOOR (BRIGHTON) LIMITED
**Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts of Wildmoor (Brighton) Limited for the year ended 31 March 2007 set out on pages 2 to 5 together with the financial statements of the company for the year ended 31 March 2007 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors 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 to be delivered are 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 on pages 2 to 5 are properly prepared in accordance with those provisions.

**Other information**

On 4 June 2009 we reported as the auditor to the members of the company on the financial statements prepared under Section 226 of the Companies Act 1985 and our report included the following paragraph.

**"Emphasis of matter – going concern**
In forming our opinion on the financial statements, which are not qualified, we have considered the adequacy of the disclosure in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. The Company has a loan secured on the property which is serviced by rental income from the tenants. Within this facility there are a number of covenants which, if breached, would give the lender the right, if it so chooses, to request early repayment of outstanding borrowings. If early repayment were to be requested, and in the absence of replacement finance arrangements, this would give rise to a material uncertainty on the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern."

**haysmacintyre**
Chartered Accountants
Registered Auditors

4 June 2009

Fairfax House
15 Fulwood Place
London
WC1V 6AY

**WILDMOOR (BRIGHTON) LIMITED**

**ABBREVIATED BALANCE SHEET**

**AT 31ST MARCH 2007**

| | Note | 2007 £ | 2007 £ | 2006 £ | 2006 £ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Investment property | 2 | | 20,493,500 | | 18,049,500 |
| **CURRENT ASSETS** | | | | | |
| Debtors: amounts falling due within one year | | 3,323,158 | | 1,080,507 | |
| Debtors: amounts falling due in more than one year | | 362,500 | | 506,500 | |
| Cash at bank | | 512,604 | | 1,102,210 | |
| | | 4,198,262 | | 2,689,217 | |
| **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR** | 3 | (4,449,873) | | (4,817,845) | |
| **NET CURRENT LIABILITIES** | | | (251,611) | | (2,128,628) |
| **TOTAL ASSESTS LESS CURRENT LIABILITIES** | | | 20,241,889 | | 15,920,872 |
| **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR** | 4 | | (16,693,219) | | (13,710,219) |
| **NET ASSETS** | | | £3,548,670 | | £2,210,653 |
| **CAPITAL AND RESERVES** | | | | | |
| Called up share capital | 5 | | 2 | | 2 |
| Profit and loss account | | | (3,434,759) | | (2,768,976) |
| Revaluation reserve | | | 6,983,427 | | 4,979,627 |
| **SHAREHOLDERS' FUNDS** | | | £3,548,670 | | £2,210,653 |

The director considers that the company is entitled to exemption from the requirement to have an audit under the provisions of sections 249A(1) of the Companies Act 1985 and members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2007 and of its loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved and authorised for issue by the Board of Directors on 4 June 2009 and were signed below on its behalf by:

M D Booth
Director

## 1. ACCOUNTING POLICIES

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

### 1.2 Going Concern

In the current economic climate, there are various uncertainties which presently impact upon the commercial property sector. The Company has a loan secured on the property which is serviced by rental income from the tenants. Within this facility, there are a number of covenants which, if breached, would give the lender the right, if it so chooses, to request early repayment of outstanding borrowings. Whilst the Director believes that no such breaches have occurred, he recognises that there is sufficient doubt over a variety of factors as to make it materially uncertain as to whether any covenant breaches, technical or otherwise, might occur within the next twelve months. Should its lenders request early repayment, the company's ability to continue to meet its obligations would depend upon obtaining alternative finance facilities.

There has been significant uncertainty in respect of commercial property values such that loan to value ratios may be affected. Interest obligations are also relevant as the company relies upon its rental income to service interest payments on its debt.

The property comprises retail premises. These are in a prime location and are well configured to suit retailers' requirements. The Director has reviewed the financial standing of the tenants and do not believe there is currently any prospect of them failing. However, given current retail trading conditions this must remain a risk even if remote.

Were a tenant to fail the Director has researched the strength of retailer demand and are satisfied that a combination of restricted supply of available shop units and published retail requirements will ensure a re-letting can be achieved quickly and without a material reduction in the rental levels.

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 situations which might arise over the foreseeable future and, accordingly, the company has prepared these financial statements on a going concern basis.

### 1.3 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2005).

### 1.4 Investment Property

Investment properties are included in the Balance Sheet at valuation. Revaluation surpluses and deficits are transferred to the revaluation reserve and no depreciation or amortisation is provided in respect of freehold development properties and leasehold development properties with over 20 years to expiry. This treatment is a departure from the requirement of the Companies Acts concerning the depreciation of fixed assets. However, these development properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. On completion of construction, the development properties are transferred to Investment Properties.

### 1.5 Capital contributions

Capital contributions made towards fit out costs which are considered to be lease incentives are capitalised and amortised over the primary term of the lease, in accordance with Urgent Issues Task Force (UITF) Abstract 28: Operating lease incentives.

## 1. ACCOUNTING POLICIES (continued)

### 1.6 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for timing differences arising on revaluations of fixed assets which are not intended to be sold and gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

### 1.7 Turnover

Turnover represents rents receivable from tenants net of VAT.

## 2. FIXED ASSETS

| | Investment Property £ |
|---|---|
| **Valuation** | |
| At 1st April 2006 | 18,049,500 |
| Additions | 440,200 |
| Revaluation in year | 2,003,800 |
| At 31st March 2007 | £20,493,500 |

| | 2007 £ | 2006 £ |
|---|---|---|
| Historic cost | £13,510,073 | £13,069,873 |

The company's investment property was valued as at 31 March 2007 at its open market value by the directors using appropriate independent professional advice.

At 31 March 2007, the tax which would have become payable in the event of a sale of the investment property at its revalued amount would be approximately £2,078,000 (2006: £2,387,000).

| **Reconciliation of net book amount to valuation:** | 2007 £ |
|---|---|
| Valuation | 21,000,000 |
| Lease incentives | (506,500) |
| | £20,493,500 |

## 3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2007 £ | 2006 £ |
|---|---|---|
| Trade creditors | 55,467 | 295,747 |
| Other creditors | 4,394,406 | 4,522,098 |
| | £4,449,873 | £4,817,845 |

## 4. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR

| | 2007 £ | 2006 £ |
|---|---|---|
| Bank and other loans | 16,720,000 | 13,740,000 |
| Less: debt issue costs | (26,781) | (29,781) |
| | £16,693,219 | £13,710,219 |

The loan is secured by a fixed charge over the assets of the company. Loan interest is charged at a rate of 1.05% above LIBOR.

Included within Bank and other loans are amounts falling due as follows:

| | 2007 £ | 2006 £ |
|---|---|---|
| Between one to two years | 132,004 | 172,212 |
| Between two to five years | 514,901 | 576,136 |
| Over five years | 16,073,095 | 12,991,652 |
| | £16,720,000 | £13,740,000 |

## 5. SHARE CAPITAL

| | 2007 £ | 2006 £ |
|---|---|---|
| **Authorised** | | |
| 100 Ordinary shares of £1 each | £100 | £100 |
| **Allotted, called up and fully paid:** | | |
| 2 Ordinary shares of £1 | £2 | £2 |

## 6. TRANSACTIONS WITH DIRECTOR

Included in administrative expenses are fees totalling £350,000 (2006: £75,000) payable to an unincorporated business owned by the director.

## 7. CONTROLLING PARTY

The ultimate controlling party is Mark Booth, a director of the company.