

WILDMOOR (BRIGHTON) LIMITED

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COMPANIES HOUSE

Abbreviated Accounts

For the year ended 31 March 2008

Company Registration No 03874589 (England And Wales)

WILDMOOR (BRIGHTON) LIMITED

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WILDMOOR (BRIGHTON) LIMITED

INDEPENDENT AUDITORS' REPORT TO WILDMOOR (BRIGHTON) 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 (Brighton) Limited for the year ended 31 March 2008 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 them in an auditors' report on abbreviated accounts 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 17 March 2008 we reported, as auditors of Wildmoor (Brighton) Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 March 2008, and our report included the following paragraph:

WILDMOOR (BRIGHTON) LIMITED

INDEPENDENT AUDITORS' REPORT TO WILDMOOR (BRIGHTON) 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 net loss of £145,490 during the year ended 31 March 2008 and, at that date, the company had net assets of £4,340,660. The ability of the company to continue as a going concern is dependent on the continuance of ongoing financial support from the company's bankers and certain associated companies, on the forbearance of certain associated companies, and on the recoverability of amounts owed to the company by certain associated companies. At the balance sheet date the company owed £16,696,219 to its bankers and owed £1,389,783 to certain associated companies which are wholly owned and controlled by the company's director. As stated in the notes to the accounts the company has reclassified £16,696,219 of bank loans as short term liabilities because it had not complied with an undertaking in the loan agreement. To date the company has not received any indications that the repayment profiles of the bank loan, or loans from associated companies, will be varied from their agreed terms, nor that they will be withdrawn within twelve months of approving the financial statements. Additionally, the company is due £3,217,593 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.

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 is unable to continue as a going concern."

Kingston Smith LLP

Kingston Smith LLP

17 March 2010

Chartered Accountants
Registered Auditors

Devonshire House
60 Goswell Road
London
EC1M 7AD

WILDMOOR (BRIGHTON) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 MARCH 2008

	Notes	2008 £	£	2007 £	£
Fixed assets					
Tangible assets	2	21,432,180		20,493,500	
Current assets					
Debtors	3	3,790,769		3,685,658	
Cash at bank and in hand		445,899		512,604	
		4,236,668		4,198,262	
Creditors amounts falling due within one year	4	(21,328,188)		(4,449,873)	
Net current liabilities		(17,091,520)		(251,611)	
Total assets less current liabilities		4,340,660		20,241,889	
Creditors amounts falling due after more than one year		-		(16,693,219)	
		4,340,660		3,548,670	
Capital and reserves					
Called up share capital	5		2		2
Revaluation reserve		7,920,907		6,983,427	
Profit and loss account		(3,580,249)		(3,434,759)	
Shareholders' funds		4,340,660		3,548,670	

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 16 March 2010

M D Booth
Director

Company Registration No 03874589

WILDMOOR (BRIGHTON) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2008

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 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, on the continuing terms of the company's and associated companies' bank loan arrangements, on the recoverability of amounts due to the company from associated companies, and on the continued financial support of certain associated companies and the director of the company

The company incurred a net loss of £145,490 during the year ended 31 March 2008 and, at that date, the company had net assets of £4,340,660

During the period under review and the period since the balance sheet date the director, or companies under his control, have provided additional working capital to assist the company meet its debts as they fall due and are committed to continuing such action should this be required. Forecasts have been prepared by the company for the period to January 2011 and the director is confident that the current levels of rental income can be maintained and will exceed the bank loan repayments and loan interest payable during this period by approximately £10,000 per annum

In the current economic climate, there are various uncertainties which presently impact on the commercial property sector. The company's bank loan is secured by a fixed charge over the investment property and by a floating charge over the company's remaining assets. The bank loan of £16,696,219 has been reclassified as a short term liability during the period because the company had not complied with an undertaking in the loan agreement. Whilst the director has not received any indication from the bank that the facility will be withdrawn, he recognises that inevitably there will always be doubt regarding the bank's intentions so as to make it materially uncertain as to whether they might request repayment within twelve months of approving the financial statements. Should they do so the company's ability to continue to meet its obligations as they fall due would depend on it obtaining replacement financing

At the balance sheet date the company was due amounts totalling £3,217,593 from, and owed amounts totalling £828,867 to companies wholly owned by the director, M D Booth. At present the companies have no immediate requirement to seek repayment of their respective balances as alternative working capital is available to them. However, the companies operate within the property sector and rely upon third party loan finance. A number also have liabilities which currently exceed their total assets. For these reasons there is therefore, some uncertainty as to their ability to continue as going concerns. To date the director has not received any indications that the repayment profile of any of the loans will need to be varied and he is confident that all amounts due to the company will be recovered in full

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. On this basis the director believes that it is appropriate that the financial statements should be prepared on a going concern basis

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

WILDMOOR (BRIGHTON) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting policies

(continued)

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value and net of capital contributions. 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 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.

1.6 Revenue recognition

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

1.7 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.

WILDMOOR (BRIGHTON) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

2 Fixed assets

	Investment properties £
Cost or valuation	
At 1 April 2007	20,493,500
Additions	1,200
Revaluation	937,480
At 31 March 2008	21,432,180
At 31 March 2007	20,493,500
Reconciliation of net book value to valuation	£
Valuation	22,000,000
Lease incentives	(567,820)
	21,432,180

The company's investment property was valued as at 31 March 2008, at an open market value, by the director, M D Booth, Chartered Surveyor, having taken appropriate professional advice from A Peattie, Chartered Surveyor. A yield of 5.25% was applied to actual rent receivable, or estimated rental values where passing rents are not at market value, with an allowance for purchaser's costs of 5.75%, giving an open market value at 31 March 2008 of £22,000,000. The director considers this to be an appropriate valuation as at 31 March 2008.

The comparable historical aggregate costs of the property included at valuation is £13,511,273 (2007 - £13,510,073).

3 Debtors

Debtors include an amount of £352,705 (2007 - £362,500) which is due after more than one year.

4 Creditors: amounts falling due within one year

The aggregate amount of creditors for which security has been given amounted to £16,696,219 (2007 - £16,693,219).

The company's bankers have provided a loan account facility, limited to £16,720,000 and secured by fixed charges over a bank deposit account of £140,434, and the company's investment property and by floating charges over the company's remaining assets. At the balance sheet date an amount of £16,696,219 has been advanced to the company under this facility. Interest on the bank loan is currently charged at a variable rate of 1.05% above LIBOR on the total balance.

At the balance sheet date the company had not complied with an undertaking in the loan agreement. As a result the loan of £16,696,219 has been reclassified as falling due within one year although scheduled repayments currently remain unchanged.

WILDMOOR (BRIGHTON) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

5	Share capital	2008 £	2007 £
	Authorised		
	1,000 Ordinary shares of £1 each	1,000	1,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
		<u> </u>	<u> </u>

6 Contingent liabilities

The company has provided two guarantees to Lloyds TSB Bank plc, each limited to £1,000,000, to secure the bank borrowings of two associated entities, Corn Hall Arcade Limited and Kings Head Cirencester LLP, which are both wholly owned and controlled by the director, M D Booth

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

Balance owed by Wildmoor (Watford) Limited £161,577 (2007 - £161,578)
Balance owed by Wildmoor Investments Limited £164,657 (2007 - £164,658)
Balance owed by Wildmoor (Cirencester) Limited £706,464 (2007 - £706,464)
Balance owed by Wildmoor (Kings Head Hotel, Cirencester) Limited £407,633 (2007 - £317,633)
Balance owed by Wildmoor (Imperial Arcade) Limited £196,896 (2007 - £186,548)
Balance owed by Wildmoor (Ingram) Limited £50,000 (2007 - £50,000)
Balance owed by Wildmoor Northpoint Limited £1,130,003 (2007 - £1,150,896)
Balance owed by Swan Yard (Cirencester) Limited £116,500 (2007 - £103,500)
Balance owed by Wildmoor (Fakenham) Limited £148,861 (2007 - £148,264)
Balance owed by Strapbase Limited £135,000 (2007 - £135,000)
Balance owed to Wildmoor (Haringey) Limited £3,677,080 (2007 - £3,556,570)
Balance owed to Wildmoor (Crowborough) Limited £20,732 (2007 - £20,733)
Balance owed to Forsters Shelfco 233 Limited £159,545 (2007 - £159,561)
Balance owed to Forsters Shelfco 220 Limited £1,200 (2007 - £3,000)
Balance owed to Wildmoor (Cricklade Street) Limited £27,000 (2007 - £27,000)
Balance owed to Cornhall Arcade Limited £4,224 (2007 - £nil)

During the period, property management fees of £215,000 were paid to Strapbase Limited (trading as Wildmoor Properties). In the prior year, £350,000 was paid to the director in respect of property management fees provided by his unincorporated business, Wildmoor Properties

WILDMOOR (BRIGHTON) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2008

9 Post balance sheet events

Since the balance sheet date the market value of the company's investment property has declined in light of the present economic climate. The company's main asset in Brighton, on which there is a bank loan of £16,696,219, was valued by the director, having taking appropriate independent advice, in December 2009 at £20,500,000.