

**Company Registration No 4491869**

**Rushbond Retail Limited**

**Report and Financial Statements**

**30 November 2011**

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# **Rushbond Retail Limited**

## **Report and Financial Statements 2011**

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# **Rushbond Retail Limited**

## **Report and Financial Statements 2011**

### **Officers and Professional Advisers**

#### **Directors**

J W Maud  
M J Hartley  
H J Cooper

#### **Secretary**

H J Cooper

#### **Registered office**

5 Hawthorn Park  
Coal Road  
Leeds  
LS14 1PQ

#### **Bankers**

The Royal Bank of Scotland plc  
27 Park Row  
Leeds  
LS1 5QB

Yorkshire Bank  
4 Victoria Place  
Manor Road  
Leeds  
LS11 5AE

#### **Solicitors**

Brooke North  
Crown House  
Great George Street  
Leeds  
LS1 3BR

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Leeds

# **Rushbond Retail Limited**

## **Directors' Report**

The directors have pleasure in presenting their annual report with the audited financial statements for the year ended 30 November 2011. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

### **Activities**

The principal activity of the company throughout the year was that of property development and investment.

### **Review of developments and prospects**

The directors consider the performance of the company to be satisfactory and are optimistic about its prospects.

The company has received confirmation from the intercompany creditors that the creditors will not demand repayment of the outstanding liabilities for a period of not less than 12 months from the date of approval of the financial statements.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

### **Dividends and transfers to reserves**

The results of the company for the year to 30 November 2011 are set out in the profit and loss account on page 5. The directors do not recommend payment of a dividend (2010: £nil).

### **Directors**

The directors who held office during the year and subsequently were as follows:

J W Maud  
M J Hartley  
H J Cooper

### **Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- 1 so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- 2 the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



H J Cooper  
Secretary

21 March 2012

## **Directors' Responsibilities Statement**

The directors are responsible for preparing the Annual Report and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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.

## **Independent Auditor's Report to the Members of Rushbond Retail Limited**

We have audited the financial statements of Rushbond Retail Limited for the year ended 30 November 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 November 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.


### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Christopher Powell FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Leeds, UK

21 March 2012

# Rushbond Retail Limited

## Profit and Loss Account Year ended 30 November 2011

	Note	2011 £	2010 £
<b>Turnover - continuing operations</b>	2	38,129	8,857
Cost of sales		(14,305)	(2,252)
		<u>23,824</u>	<u>6,605</u>
Administrative expenses		(19,005)	(21,523)
Other operating income		250	68,207
		<u>5,069</u>	<u>53,289</u>
<b>Operating profit - continuing operations</b>	3	5,069	53,289
Interest receivable and similar income		-	4
Interest payable and similar charges	5	(66,296)	(63,240)
		<u>(61,227)</u>	<u>(9,947)</u>
<b>Loss on ordinary activities before taxation</b>		(61,227)	(9,947)
Tax on loss on ordinary activities	6	(12,666)	(27,181)
		<u>(73,893)</u>	<u>(37,128)</u>
<b>Retained loss for the financial year transferred from reserves</b>	13	(73,893)	(37,128)

The accompanying notes are an integral part of this profit and loss account

## Statement of Total Recognised Gains and Losses

	Note	2011 £	2010 £
Loss for the financial year	13	(73,893)	(37,128)
Unrealised deficit on revaluation of investment properties	13	(290,000)	(41,302)
		<u>(363,893)</u>	<u>(78,430)</u>
<b>Total recognised gains and losses since last annual report</b>		(363,893)	(78,430)

# Rushbond Retail Limited

## Balance Sheet 30 November 2011

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	7	<u>5,057,974</u>	<u>5,357,759</u>
<b>Current assets</b>			
Debtors	8	106,905	91,571
Cash at bank and in hand		<u>30,272</u>	<u>12,760</u>
		137,177	104,331
<b>Creditors: amounts falling due within one year</b>	9	<u>(25,208)</u>	<u>(26,425)</u>
<b>Net current assets</b>		111,969	77,906
<b>Total assets less current liabilities</b>		5,169,943	5,435,665
<b>Creditors: amounts falling due after more than one year</b>	10	(5,318,289)	(5,232,784)
<b>Provisions for liabilities</b>	11	<u>(46,577)</u>	<u>(33,911)</u>
<b>Net (liabilities)/assets</b>		<u><u>(194,923)</u></u>	<u><u>168,970</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Profit and loss account	13	(306,069)	(232,176)
Investment property revaluation reserve	13	<u>111,046</u>	<u>401,046</u>
<b>Shareholders' (deficit)/funds</b>	14	<u><u>(194,923)</u></u>	<u><u>168,970</u></u>

The accompanying notes are an integral part of this balance sheet

These financial statements of Rushbond Retail Limited, company number 4491869, were approved by the Board of Directors on 21 March 2012

Signed on behalf of the Board of Directors



J W Maud

Director

# **Rushbond Retail Limited**

## **Notes to the Financial Statements Year ended 30 November 2011**

### **1. Accounting policies**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below. They have been applied consistently throughout the year and preceding year.

#### **Basis of preparation**

The company has received confirmation from the intercompany creditors that the creditors will not demand repayment of the outstanding liabilities for a period of not less than 12 months from the date of approval of the financial statements. The current economic conditions create uncertainty within the real estate market, however the company's forecasts and projections taking account of reasonably possible changes in trading performance show that the company should be able to operate within the level of its current facilities. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention, modified for the revaluation of investment properties.

#### **Cash flow statement**

The cash flows of the company are included in the consolidated group cash flow statement of Rushbond plc. Accordingly the company has taken advantage of the exemption under the terms of Financial Reporting Standard No. 1 not to publish a cash flow statement.

#### **Interest and property holding costs**

Interest and property holding costs are charged to the profit and loss account in the period in which they are incurred.

#### **Investment properties**

Investment properties under construction are not depreciated and are carried at cost in accordance with FRS 15 "Tangible Fixed Assets".

In accordance with Statement of Standard Accounting Practice No. 19, investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property is charged to the profit and loss account. No depreciation is provided in respect of investment properties.

The Companies Act 2006 required all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in Statement of Standard Accounting Practice No. 19. The directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view and that it is necessary to adopt Statement of Standard Accounting Practice No. 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified, because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# Rushbond Retail Limited

## Notes to the Financial Statements Year ended 30 November 2011

### 1 Accounting policies (continued)

#### Taxation (continued)

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 tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is not recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### 2. Turnover

Turnover relates to rental income. Rental income represents amounts invoiced to external tenants as adjusted for amounts invoiced in advance and in arrears.

The whole of the turnover is to the United Kingdom market.

### 3. Operating profit

Operating profit is stated after charging.

	2011 £	2010 £
Depreciation of fixed assets	12,035	16,047

Fees payable to company's auditor for the audit of the company's financial statements of £2,000 (2010 £2,000) was borne by the fellow group company in both the current and prior year.

### 4 Information regarding directors and employees

The company had no employees in either year other than the directors.

The directors are also directors of Rushbond plc, the ultimate parent company and their remuneration is as disclosed in that company's financial statements in respect of services to all group companies. It is not practicable to allocate their remuneration between their services as executives of Rushbond plc and their services to other group companies.

### 5 Interest payable and similar charges

	2011 £	2010 £
Interest payable	66,296	63,240

# Rushbond Retail Limited

## Notes to the Financial Statements Year ended 30 November 2011

### 6. Tax on loss on ordinary activities

	2011 £	2010 £
The tax charge comprises		
UK corporation tax	-	-
Adjustments in respect of prior years	-	(667)
Total current tax	-	(667)
Deferred tax		
Origination and reversal of timing differences	9,619	10,044
Adjustments in respect of prior years	6,651	19,060
Change in tax rates	(3,604)	(1,256)
Total deferred tax	12,266	27,848
Total tax charge for the year	12,266	27,181

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 26.7% (2010: 28%)  
The actual tax charge for the current year differs from the standard rate for the reasons set out in the following reconciliation

	2011 £	2010 £
Loss on ordinary activities before tax	(61,227)	(9,947)
United Kingdom corporation tax at 26.7% (2010: 28%) based on loss for the year	(16,325)	(2,785)
Expenses not deductible for tax purposes	-	(2,727)
Capital allowances in excess of depreciation	(9,619)	(10,044)
Group relief free of charge	25,944	15,556
Adjustments in respect of prior years	-	(667)
Current tax charge for the period	-	(667)

# Rushbond Retail Limited

## Notes to the Financial Statements Year ended 30 November 2011

### 7. Tangible fixed assets

	Investment properties £	Investment properties under construction £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 December 2010	4,425,000	884,617	89,551	5,399,168
Additions	-	2,250	-	2,250
Deficit on revaluation	(290,000)	-	-	(290,000)
<b>At 30 November 2011</b>	<b>4,135,000</b>	<b>886,867</b>	<b>89,551</b>	<b>5,111,418</b>
<b>Accumulated depreciation</b>				
At 1 December 2010	-	-	41,409	41,409
Charge for the year	-	-	12,035	12,035
<b>At 30 November 2011</b>	<b>-</b>	<b>-</b>	<b>53,444</b>	<b>53,444</b>
<b>Net book value</b>				
At 30 November 2011	4,135,000	886,867	36,107	5,057,974
At 30 November 2010	4,425,000	884,617	48,142	5,357,759

The company's investment properties were revalued on 30 November 2011 on an open market value basis, by Jones Lang LaSalle, Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation Standards, sixth edition, and FRS15. The valuation of each property was on the basis of Market Value subject to the existing leases. The valuer's opinion of Market Value was primarily derived using comparable recent market transactions on an arm's length basis.

If investment properties had not been revalued they would have been held at a cost of £4,023,954 (2010 £4,023,954).

### 8. Debtors

	2011 £	2010 £
Trade debtors	4,083	3,653
Amounts owed from group companies	99,918	87,918
Other debtors	2,904	-
	<b>106,905</b>	<b>91,571</b>

# Rushbond Retail Limited

## Notes to the Financial Statements Year ended 30 November 2011

### 9. Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	450	-
Bank overdraft	-	2,661
Other creditors	16,254	15,808
Accruals	8,504	7,956
	<u>25,208</u>	<u>26,425</u>

### 10. Creditors: amounts falling due after more than one year

	2011 £	2010 £
Other creditors	-	46,275
Amounts owed to group companies	5,318,289	5,186,509
	<u>5,318,289</u>	<u>5,232,784</u>

The amounts owed to group companies have no fixed repayment date and do not incur interest

### 11. Provisions for liabilities

	Deferred taxation £
At 1 December 2010	33,911
Charge for the year	12,666
At 30 November 2011	<u>46,577</u>

The amounts provided for deferred taxation are set out below. There is no unprovided taxation.

	2011 £	2010 £
Accelerated capital allowances	<u>45,677</u>	<u>33,911</u>

### 12. Called up share capital

	2011 £	2010 £
<b>Authorised</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Called up, allotted and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

# Rushbond Retail Limited

## Notes to the Financial Statements Year ended 30 November 2011

### 13. Reserves

	Profit and loss account £	Revaluation reserve £
At 1 December 2010	(232,176)	401,046
Loss for the financial year	(73,893)	-
Unrealised deficit on revaluation of investment properties	-	(290,000)
At 30 November 2011	<u>(306,069)</u>	<u>111,046</u>

### 14. Reconciliation of movements in shareholders' (deficit)/funds

	2011 £	2010 £
Loss for the financial year	(73,893)	(37,128)
Unrealised deficit on revaluation of investments properties	<u>(290,000)</u>	<u>(41,302)</u>
Net reduction in shareholders' funds	(363,893)	(78,430)
Opening shareholders' funds	<u>168,970</u>	<u>247,400</u>
Closing shareholders' (deficit)/funds	<u>(194,923)</u>	<u>168,970</u>

### 15. Related party transactions

The company has taken advantage of the exemption granted in paragraph 3c of Financial Reporting Standard No 8 not to disclose related party transactions with wholly owned other group companies

### 16. Ultimate parent undertaking

The immediate and ultimate parent undertaking is Rushbond plc, a company incorporated in Great Britain and registered in England and Wales. The results of the company are consolidated into the group headed by Rushbond plc, which is controlled by Mr J W Maud. Copies of the accounts of Rushbond plc can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.