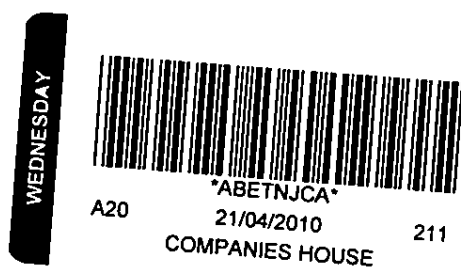


**RUSHBOND RETAIL LIMITED**

**Report and Financial Statements**

**30 November 2009**



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# **RUSHBOND RETAIL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

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# **RUSHBOND RETAIL LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2009**

### **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

#### **AUDITORS**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
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 2009

### **ACTIVITIES**

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

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

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

The directors have considered the current state of affairs of the company and its expected future cash flows and have concluded that the company is a going concern

### **DIVIDENDS AND TRANSFERS TO RESERVES**

The results of the company for the year to 30 November 2009 are set out in the profit and loss account on page 5  
The directors do not recommend payment of a dividend (2008 nil)

### **DIRECTORS**

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

J W Maud  
M J Hartley  
H J Cooper

### **AUDITORS**

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 auditors are 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 auditors are aware of that information

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

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to re-appoint them 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

24 March 2010

**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 AUDITORS' REPORT TO THE MEMBERS OF RUSHBOND RETAIL LIMITED**

We have audited the financial statements of Rushbond Retail Limited for the year ended 30 November 2009 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

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 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 directors and auditors**

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 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 (APB'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.

### **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 2009 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.

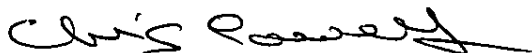
### **Opinion on other matter prescribed by the Companies Act 2006**

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.



Christopher Powell FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Leeds, UK  
26 March 2010

# RUSHBOND RETAIL LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 30 November 2009

	Note	2009 £	2008 £
Administrative expenses		(45,958)	(17,137)
Other operating income		22,163	949
<b>OPERATING LOSS - continuing operations</b>	2	(23,795)	(16,188)
Interest receivable and similar income		556	2,528
Interest payable and similar charges	4	(82,336)	(130,519)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(105,575)	(144,179)
Tax on loss on ordinary activities	5	(6,063)	-
<b>RETAINED LOSS FOR THE FINANCIAL YEAR TRANSFERRED FROM RESERVES</b>	12	(111,638)	(144,179)

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

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2009 £	2008 £
Loss for the financial year	(111,638)	(144,179)
Unrealised (deficit)/surplus on revaluation of investment properties	(214,062)	656,410
<b>Total recognised gains and losses since last annual report</b>	(325,700)	512,231

# RUSHBOND RETAIL LIMITED

## BALANCE SHEET

30 November 2009

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Tangible assets	6	4,487,196	4,613,830
<b>CURRENT ASSETS</b>			
Debtors	7	78,807	151,290
Cash at bank and in hand		-	3,265
		78,807	154,555
<b>CREDITORS: amounts falling due within one year</b>	8	(71,131)	(87,466)
<b>NET CURRENT ASSETS</b>		7,676	67,089
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,494,872	4,680,919
<b>CREDITORS: amounts falling due after more than one year</b>	9	(4,241,409)	(4,107,819)
<b>PROVISIONS FOR LIABILITIES</b>	10	(6,063)	-
		247,400	573,100
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	100	100
Profit and loss account	12	(195,048)	(83,410)
Investment property revaluation reserve	12	442,348	656,410
<b>SHAREHOLDERS' FUNDS</b>	13	247,400	573,100

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 24 March 2010

Signed on behalf of the Board of Directors



J W Maud

Director



# **RUSHBOND RETAIL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 30 November 2009**

### **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 directors have considered the current state of affairs of the company and its expected future cash flows and have concluded that the company is a going concern. The directors have therefore prepared the financial statements on a going concern basis.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **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, completed investment properties are revalued annually and the aggregate surplus or deficit is transferred to a revaluation reserve. No depreciation is provided in respect of investment properties.

The Companies Act 2006 requires 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 substantially enacted by the balance sheet date.

# RUSHBOND RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 November 2009

### 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. OPERATING LOSS

	2008 £	2007 £
Operating loss is stated after charging:		
Depreciation of fixed assets	20,752	4,610

Fees payable to company's auditors for the audit of the company pursuant to legislation of £2,000 (2008 £2,000) was borne by a fellow group company in both the current year and the prior year.

### 3. 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 aggregate remuneration of £370,006 between their services as executives of Rushbond plc and their services to other group companies.

### 4. INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £	2008 £
Interest payable	82,336	130,519

### 5. TAX ON LOSS ON ORDINARY ACTIVITIES

	2009 £	2008 £
The tax charge comprises		
Deferred taxation	6,063	-

# RUSHBOND RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 November 2009

### 5. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2008 28.67%). The actual tax charge for the current year differs from the standard rate for the reasons set out in the following reconciliation

	2009 £	2008 £
Loss on ordinary activities before tax	(105,575)	(144,179)
United Kingdom corporation tax at 28% (2008 28.67%) based on loss for the year	(29,561)	(41,331)
Factors affecting the charge for the year		
Capital allowances in excess of depreciation	(8,902)	-
Group relief surrendered free of charge	38,463	41,331
Current tax charge for the period	-	-

### 6. TANGIBLE FIXED ASSETS

	Investment properties under construction £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 December 2008	4,600,000	18,440	4,618,440
Additions	39,062	69,118	108,810
Deficit on revaluation	(214,062)	-	(214,062)
At 30 November 2009	4,425,000	87,558	4,512,558
<b>Accumulated depreciation</b>			
At 31 December 2008	-	4,610	4,610
Charge for the year	-	20,752	20,752
At 30 November 2009	-	25,362	25,362
<b>Net book value</b>			
At 30 November 2009	4,425,000	62,196	4,487,196
At 30 November 2008	4,600,000	13,830	4,613,830

The company's investment properties were revalued on 30 November 2009 on an open market value basis, by a suitably qualified director of the company, who is a member of the Royal Institution of 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 £3,977,653 (2008 £3,982,652).

# RUSHBOND RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 November 2009

### 7. DEBTORS

	2009 £	2008 £
Trade debtors	889	889
Amounts owed from group companies	77,918	68,918
Other debtors	-	81,483
	<u>78,807</u>	<u>151,290</u>

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

	2009 £	2008 £
Bank overdraft	47	-
Trade creditors	68,398	85,499
Corporation tax	667	667
Other taxes and social security	55	-
Accruals	1,964	1,299
	<u>71,131</u>	<u>87,465</u>

### 9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £	2008 £
Other creditors	46,626	90,997
Bank loan	-	1,250,000
Amounts owed to group companies	4,194,783	2,766,822
	<u>4,241,409</u>	<u>4,107,819</u>

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

### 10. PROVISIONS FOR LIABILITIES

Deferred taxation	£
At 1 December 2008	-
Charge for the year	6,063
At 30 November 2009	<u>6,063</u>

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

	2009 £	2008 £
Accelerated capital allowances	8,755	-
Losses	(2,692)	-
	<u>6,063</u>	<u>-</u>

# RUSHBOND RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 November 2009

### 11. CALLED UP SHARE CAPITAL

	2009 £	2008 £
<b>Authorised</b>		
100 ordinary shares of £1 each	100	100
<b>Called up, allotted and fully paid</b>		
100 ordinary shares of £1 each	100	100

### 12. RESERVES

	Profit and loss account £	Revaluation reserve £
At 1 December 2008	(83,410)	656,410
Loss for the financial year	(111,638)	-
Deficit on revaluation	-	(214,062)
At 30 November 2009	(195,048)	442,348

### 13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009 £	2008 £
Loss for the financial year	(111,638)	(144,179)
Unrealised (deficit)/surplus on revaluation of investment properties	(214,062)	656,410
Net (reduction)/increase in shareholders' funds	(325,700)	512,231
Opening shareholders' funds	573,100	60,869
Closing shareholders' funds	247,400	573,100

### 14. 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 other group companies

### 15. ULTIMATE PARENT UNDERTAKING

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