

**OSBORNE STREET ESTATES LIMITED**  
**ABBREVIATED ACCOUNTS**  
**31 JANUARY 2011**



# **OSBORNE STREET ESTATES LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 JANUARY 2011**

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# **OSBORNE STREET ESTATES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO OSBORNE STREET ESTATES LIMITED**

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts, together with the financial statements of Osborne Street Estates Limited for the year ended 31 January 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

#### **RESPECTIVE RESPONSIBILITIES OF DIRECTOR AND AUDITOR**

The director is responsible for preparing the abbreviated accounts in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

#### **BASIS OF OPINION**

We conducted our work in accordance with Bulletin 2008/4 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 Section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

#### **OTHER INFORMATION**

On 6 March 2012 we reported as auditor to the members of the company on the financial statements prepared under Section 396 of the Companies Act 2006 and our report included the following paragraph:

# **OSBORNE STREET ESTATES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO OSBORNE STREET ESTATES LIMITED *(continued)***

### **UNDER SECTION 449 OF THE COMPANIES ACT 2006**

#### **EMPHASIS OF MATTER - GOING CONCERN**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in Note 1 to the financial statements concerning the company's ability to continue as a going concern

These disclosures, regarding the continued loan funding of the company's parent on which the company is dependent, indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern. The financial statements do not include any adjustment that would result if the company was unable to continue as a going concern

216 West George Street  
Glasgow  
G2 2PQ

6 March 2012

ALAN G WOODS (Senior Statutory  
Auditor)  
For and on behalf of  
GILLILAND & COMPANY  
Chartered Accountants  
& Statutory Auditor

# OSBORNE STREET ESTATES LIMITED

## ABBREVIATED BALANCE SHEET

31 JANUARY 2011

	Note	2011 £	2010 £
<b>CURRENT ASSETS</b>			
Stocks		400,000	1,471,025
Debtors		350	-
Cash at bank and in hand		532	828
		<u>400,882</u>	<u>1,471,853</u>
<b>CREDITORS: Amounts falling due within one year</b>		<u>1,452,202</u>	<u>1,448,805</u>
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(1,051,320)</u>	<u>23,048</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(1,051,320)</u>	<u>23,048</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	3	200	200
Profit and loss account		<u>(1,051,520)</u>	<u>22,848</u>
<b>(DEFICIT)/SHAREHOLDERS' FUNDS</b>		<u>(1,051,320)</u>	<u>23,048</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These abbreviated accounts were approved and signed by the director and authorised for issue on 6 March 2012

DGG Wheatley  
Director

Company Registration Number 4867959

The notes on pages 4 to 5 form part of these abbreviated accounts

# **OSBORNE STREET ESTATES LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 JANUARY 2011**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### **Going Concern**

The company is dependent for its ongoing activities on the support of its parent undertaking, Dunvale Limited, which itself is financed by bank loan facilities and overdrafts secured on group assets. The loan facility is secured on the group's properties which it finances and is subject to covenants which are considered normal for the facilities provided. These typically relate to income matters and loan to value (LTV) tests. In the year to 31st January 2011 the widespread decline in the value of UK commercial property continued and persisted after the balance sheet date. This is reflected in the director's valuation of the company's and group's properties at 31st January 2011. The reduced values put the group in breach of LTV covenant within the terms of the facility agreement when the covenant was tested following the year end.

As the company is dependent on continued bank support and the successful renewal of facilities of its parent company at the end of their current term, the present circumstances represent the existence of a material uncertainty which may cast doubt over the company's ability to continue as a going concern. However, the director believes that the most likely course of action is to engage in constructive discussions with the lender to enable the company to continue to benefit from loan finance and remain in operation as a going concern.

The director has prepared forecasts for a period in excess of twelve months from the date of approval of these financial statements. These projections, which include assumptions based on information available to the director at the date of approval of the financial statements regarding the current parent and group financial position, show that the company has adequate resources available to continue in operational existence for at least the period ending twelve months from the date of approval of these financial statements. For these reasons the director continues to adopt the going concern basis in preparing the financial statements.

#### **Consolidation**

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# OSBORNE STREET ESTATES LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31 JANUARY 2011

### 2. RELATED PARTY TRANSACTIONS

The company was under the control of Mr D G G Wheatley, director, by virtue of his holding in the company's parent company, Dunvale Investments Limited

The company owes £1,148,335 to its parent company Dunvale Investments Limited (2010 £1,148,335) The company owes £303,867 to Grandyard Limited, a subsidiary of Dunvale Investments Limited (2010 £300,470) These loans are interest free and have no date for repayment

The company's bankers have been granted an unlimited intercompany guarantee

### 3. SHARE CAPITAL

#### Authorised share capital:

	2011	2010
	£	£
100 Ordinary 'A' shares of £1 each	100	100
100 Ordinary 'B' shares of £1 each	100	100
	<u>200</u>	<u>200</u>

#### Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
100 Ordinary 'A' shares of £1 each	100	100	100	100
100 Ordinary 'B' shares of £1 each	100	100	100	100
	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

### 4. ULTIMATE PARENT COMPANY

The company is owned 50% by Dunvale Investments Limited and 50% by MR D G G Wheatley, director, who owns the entire share capital of Dunvale Investments Limited By virtue of this ultimate control the accounts of Osborne Street Estates Limited are consolidated within the group financial statements of Dunvale Investments Limited