

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012
FOR
SUSD LIMITED**

MONDAY



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SUSD LIMITED (REGISTERED NUMBER: 05226457)

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FOR THE YEAR ENDED 31 MARCH 2012**

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SUSD LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2012**

DIRECTORS:

P A F Harris
R L Pearce
J Muller-Lotze
I G Robinson
A Wilson

SECRETARY:

P A F Harris

REGISTERED OFFICE:

28 All Saints Road
London
W11 1HG

REGISTERED NUMBER:

05226457 (England and Wales)

AUDITORS:

BDO LLP
55 Baker Street
London
W1U 7EU

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

The directors present their report with the financial statements of the company for the year ended 31 March 2012

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of consultancy and design services

REVIEW OF BUSINESS

During the period, the company's activities have focussed on establishing development activities in subsidiaries. This has resulted in an increase in turnover during the year, to £159,631 from £129,426 in the year to 31 March 2011. Consequently the company has recorded a loss of £167,489 for the year to 31 March 2012 compared to a loss of £236,930 for the prior year.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2012

FUTURE DEVELOPMENTS

The economic climate remains challenging, and the outlook for the property sector is uncertain in the short to medium term. However the directors are confident that the strength of the underlying business leaves the company well positioned to take advantage of opportunities that arise.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2011 to the date of this report.

P A F Harris
R L Pearce
J Muller-Lotze
I G Robinson
A Wilson

PRINCIPAL RISKS AND UNCERTAINTIES

All businesses face risk from normal commercial operations. The specific operational risks to which the directors consider the company is subject are set out below.

Market conditions

The developments on which the company consults are primarily, but not exclusively, in the London residential property markets. The values that are ultimately realised are dependent on general economic and market conditions, as well as more localised supply and demand factors.

Regulation

The company's ability to profit from developments can depend on national and local regulatory factors. These include both national and regional requirements to obtain the necessary planning permissions, building and related regulations. Changes to particular requirements, and/or to the process, could add to the length of time and amount of resources required to establish and obtain regulatory and planning approvals. Government policies on taxation, such as stamp duty and VAT, also influence returns by affecting the costs of a development, and the realisable value when completed.

Key personnel

The company employs only a small number of personnel, and is therefore heavily reliant on their services for the delivery of development projects. The loss of the services of any key personnel could delay or disrupt development projects, and damage the business. Equally the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. The company may experience difficulties in recruiting appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of the company.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2012**

GOING CONCERN

These accounts have been prepared under the going concern principle although the liabilities of the company exceed its assets. The company is reliant on the support of its parent company and directors. The directors are confident that such support will continue to be provided. The directors consider that the going concern concept continues to be appropriate and has therefore been applied. In making this assessment, the directors have also considered projections of the future performance of the business, as well as the trading performance after the balance sheet date. If the going concern basis proves not to be appropriate adjustments would have to be made to reduce the balance sheet value of assets to their recoverable amounts and to provide for any further liabilities that might arise.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent,
- 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.

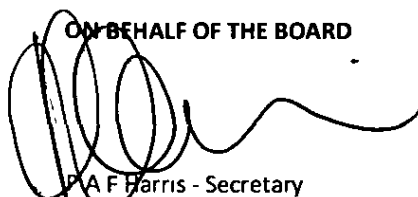
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

BDO LLP are appointed as auditors to the company.

ON BEHALF OF THE BOARD



P A F Harris - Secretary

28 November 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SUSD LIMITED**

We have audited the financial statements of SUSD Limited for the year ended 31 March 2012 on pages five to thirteen. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 March 2012 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.

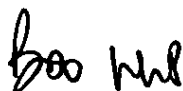
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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.



Geraint Jones (Senior Statutory Auditor)
for and on behalf of BDO LLP
55 Baker Street
London
W1U 7EU

23 November 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	31 3 12 £	31 3 11 £
TURNOVER	2	159,631	129,426
Cost of sales		<u>10,578</u>	<u>6,990</u>
GROSS PROFIT		149,053	122,436
Administrative expenses		<u>308,164</u>	<u>349,771</u>
OPERATING LOSS	4	(159,111)	(227,335)
Interest receivable and similar income		<u>10</u>	<u>-</u>
		(159,101)	(227,335)
Interest payable and similar charges	5	<u>8,388</u>	<u>9,595</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(167,489)	(236,930)
Tax on loss on ordinary activities	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(167,489)</u>	<u>(236,930)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

TOTAL RECOGNISED GAINS AND LOSSES

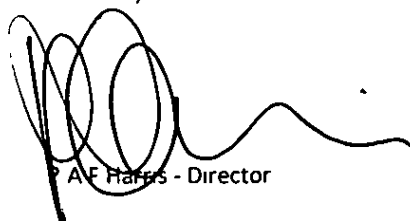
The company has no recognised gains or losses other than the losses for the current year or previous year

The notes form part of these financial statements

BALANCE SHEET
31 MARCH 2012

		31 3 12	31 3 11
	Notes	£	£
FIXED ASSETS			
Tangible assets	7	5,079	6,772
Investments	8	<u>103</u>	<u>202</u>
		5,182	6,974
CURRENT ASSETS			
Debtors	9	439,196	169,975
Cash at bank		<u>15,195</u>	<u>118,321</u>
		454,391	288,296
CREDITORS			
Amounts falling due within one year	10	<u>661,205</u>	<u>182,007</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(206,814)</u>	<u>106,289</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(201,632)</u>	<u>113,263</u>
CREDITORS			
Amounts falling due after more than one year	11	<u>-</u>	<u>147,406</u>
NET LIABILITIES		<u>(201,632)</u>	<u>(34,143)</u>
CAPITAL AND RESERVES			
Called up share capital	13	194	194
Share premium	14	269,914	269,914
Profit and loss account	14	<u>(471,740)</u>	<u>(304,251)</u>
SHAREHOLDERS' DEFICIT	19	<u>(201,632)</u>	<u>(34,143)</u>

The financial statements were approved by the Board of Directors on 23 November 2012 and were signed on its behalf by



P A F Harris - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012

1 ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards

The company and its subsidiaries are included in the consolidated accounts of SUSD Asset Management (Holdings) Limited. Accordingly the company is exempt from the requirement to prepare group accounts

These accounts have been prepared under the going concern principle although the liabilities of the company exceed its assets. The company is reliant on the support of its parent company and directors. The directors are confident that such support will continue to be provided. The directors consider that the going concern concept continues to be appropriate and has therefore been applied. In making this assessment, the directors have also considered projections of the future performance of the business, as well as the trading performance after the balance sheet date. If the going concern basis proves not to be appropriate adjustments would have to be made to reduce the balance sheet value of assets to their recoverable amounts and to provide for any further liabilities that might arise.

Cash flow statement

No cash flow statement has been prepared for the company. This is because the company's results are consolidated within the group accounts produced by SUSD Asset Management (Holdings) Limited, which include a consolidated cash flow statement.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and fittings - 25% on reducing balance

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 STAFF COSTS

	31 3 12	31 3 11
	£	£
Wages and salaries	190,125	177,454
Social security costs	<u>19,929</u>	<u>19,299</u>
	<u>210,054</u>	<u>196,753</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

3 STAFF COSTS - continued

The average monthly number of employees during the year was as follows

	31 3 12	31 3 11
Directors	2	3
Administrative staff	<u>1</u>	<u>1</u>
	<u>3</u>	<u>4</u>

4 OPERATING LOSS

The operating loss is stated after charging

	31 3 12	31 3 11
	£	£
Other operating leases	27,000	27,000
Depreciation - owned assets	1,693	2,256
Loss on disposal of fixed assets	<u>100</u>	<u>-</u>
Directors' remuneration	<u>149,860</u>	<u>133,917</u>

The company's audit fee was borne by its parent undertaking

5 INTEREST PAYABLE AND SIMILAR CHARGES

	31 3 12	31 3 11
	£	£
Bank interest	62	6
On other loans	<u>8,326</u>	<u>9,589</u>
	<u>8,388</u>	<u>9,595</u>

6 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2012 nor for the year ended 31 March 2011

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

6 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 12 £	31 3 11 £
Loss on ordinary activities before tax	<u>(167,489)</u>	<u>(236,930)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2011 - 28%)	(43,547)	(66,340)
Effects of Movement in tax losses	42,754	65,142
Excess of depreciation over capital allowances	201	310
Expenses not allowable for tax	<u>592</u>	<u>888</u>
Current tax charge	<u>-</u>	<u>-</u>

7 TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 April 2011 and 31 March 2012	<u>22,194</u>
DEPRECIATION	
At 1 April 2011	15,422
Charge for year	<u>1,693</u>
At 31 March 2012	<u>17,115</u>
NET BOOK VALUE	
At 31 March 2012	<u>5,079</u>
At 31 March 2011	<u>6,772</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

8 FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2011	202
Additions	1
Disposals	<u>(100)</u>
At 31 March 2012	<u>103</u>
NET BOOK VALUE	
At 31 March 2012	<u>103</u>
At 31 March 2011	<u>202</u>

The company's investments at the balance sheet date in the share capital of companies include the following

Harlesden 112 Limited

Nature of business Property development and trading

	%
Class of shares	holding
Ordinary	100 00

Upper Clapton Road Limited

Nature of business Property development and trading

	%
Class of shares	holding
Ordinary	100 00

SUSD House Limited

Nature of business Property development and trading

	%
Class of shares	holding
Ordinary	100 00

SUSD Notting Hill Limited

Nature of business Property development and trading

	%
Class of shares	holding
Ordinary	100 00

During the period, Towner Art Limited, which had ceased to trade, was dissolved

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012**9 DEBTORS. AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 3 12	31 3 11
	£	£
Trade debtors	-	85
Amounts owed by group undertakings	336,034	142,248
Other debtors	8,499	19,867
Prepayments and accrued income	<u>94,663</u>	<u>7,775</u>
	<u>439,196</u>	<u>169,975</u>

10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 12	31 3 11
	£	£
Trade creditors	25,435	36,493
Amounts owed to group undertakings	583,342	46,820
Social security and other taxes	5,284	11,511
Other creditors	33,644	60,683
Accruals and deferred income	<u>13,500</u>	<u>26,500</u>
	<u>661,205</u>	<u>182,007</u>

11 CREDITORS. AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 3 12	31 3 11
	£	£
Other loans (see note 12)	<u>-</u>	<u>147,406</u>

12 LOANS

An analysis of the maturity of loans is given below

	31 3 12	31 3 11
	£	£
Amounts falling due between two and five years		
Other loans	<u>-</u>	<u>147,406</u>

13 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			31 3 12	31 3 11
Number	Class	Nominal value	£	£
311	Ordinary 'A' shares	50p	156	156
60	Ordinary 'B' shares	50p	30	30
15	Ordinary 'C' shares	50p	<u>8</u>	<u>8</u>
			<u>194</u>	<u>194</u>

All classes of shares rank par passu in all respects save for the payment of a dividend which is at the discretion of the board

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

14 RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 April 2011	(304,251)	269,914	(34,337)
Deficit for the year	<u>(167,489)</u>		<u>(167,489)</u>
At 31 March 2012	<u>(471,740)</u>	<u>269,914</u>	<u>(201,826)</u>

15 ULTIMATE PARENT COMPANY

In the opinion of the directors, SUSD Asset Management (Holdings) Limited is the company's ultimate parent company

16 TRANSACTIONS WITH DIRECTORS

Included in creditors is an amount due to Mr P Harris, a director and shareholder, of £30,607 (2011 £60,682) No interest is accruing on this amount Repayment requires the approval of the board of directors of SUSD Asset Management (Holdings) Limited

17 RELATED PARTY DISCLOSURES

During the period, the company has received remittances and made payments on behalf of its subsidiary undertakings Certain administrative expenses have been charged to the company by its parent undertaking

At the period end, amounts owed to the company were as follows

	31 3 12 £	31 3 11 £
Harlesden 112 Limited	99,967	116,002
Upper Clapton Road Limited	43,842	26,246
SUSD House Limited	87,039	-
SUSD Notting Hill Limited	<u>105,186</u>	<u>-</u>
	<u>336,034</u>	<u>142,248</u>

At the period end, amounts owed by the company were as follows

	31 3 12 £	31 3 11 £
SUSD House Limited	-	45,218
SUSD Asset Management (Holdings) Limited	<u>583,342</u>	<u>1,602</u>
	<u>583,342</u>	<u>46,820</u>

18 ULTIMATE CONTROLLING PARTY

In the opinion of the directors, Lord Ashcroft KCMG PC is the company's ultimate controlling party through his interest in SUSD Asset Management (Holdings) Limited, the company's ultimate parent company

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2012

19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	31 3 12	31 3 11
	£	£
Loss for the financial year	(167,489)	(236,930)
Proceeds from issue of shares	-	270,000
Net reduction/(addition) to shareholders' deficit	(167,489)	33,070
Opening shareholders' deficit	<u>(34,143)</u>	<u>(67,213)</u>
Closing shareholders' deficit	<u>(201,632)</u>	<u>(34,143)</u>