

Allied London (Brunswick) Limited

Company number 5261600

Report and Financial statements

Year ended 31 December 2008

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ALLIED LONDON (BRUNSWICK) LIMITED

Annual report and financial statements for the year ended 31 December 2008

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Directors

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Directors

M J Ingall
F P Graham-Watson

Secretary and registered office

J R Ashurst
1 Cavendish Place
London W1G 0QF

Company number

5261600

Auditors

BDO Stoy Hayward LLP
55 Baker Street
London W1U 7EU

ALLIED LONDON (BRUNSWICK) LIMITED

Directors' report for the year ended 31 December 2008

The Directors have pleasure in submitting their report and audited financial statements for the year to 31 December 2008.

Activities and future developments

The principal activity of the company is property investment, although the company held no property at the balance sheet date.

Review of the business

The profit and loss account is set out on page 3 and shows a profit after tax for the year of £814,807. The company continues to settle the outstanding matters relating to the refurbishment of a property sold in 2007. Accruals for costs relating to the prior year property sale were released during the year. The directors continue to look for other investment opportunities.

Directors

The members of the Board during the year were:

M J Ingall

F P Graham-Watson

G K Trott (resigned 18 November 2008)

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that 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 1985. 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.

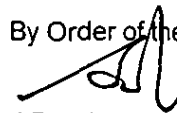
Auditors

All the current directors have taken all the steps they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board



J R Ashurst
Secretary

1 Cavendish Place
London W1G 0QF

Date: 29 June 2009

ALLIED LONDON (BRUNSWICK) LIMITED

Report of the independent auditors

To the shareholders of Allied London Brunswick Limited

We have audited the financial statements of Allied London (Brunswick) Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet, the statement of historical cost profit, the statement of total recognised gains and losses, the reconciliation of movements in shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with those financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

BDO Stoy Hayward LLP
BDO STOY HAYWARD LLP

Chartered Accountants and Registered Auditors
London

Date 29 June 2009

ALLIED LONDON (BRUNSWICK) LIMITED**Profit and loss account for the year ended 31 December 2008**

	Notes	2008 £	2007 £
Rent receivable		-	1,784,701
Property recoveries / (outgoings)		124,816	(401,172)
Net Rental Income		<u>124,816</u>	<u>1,383,529</u>
Administrative expenses	3	<u>(100,000)</u>	<u>(1,000,000)</u>
Operating profit	2	24,816	383,529
Profit on sale of investment properties		757,777	22,122,709
Interest payable	4	-	(1,681,865)
Interest receivable		<u>32,214</u>	<u>47,077</u>
Profit on ordinary activities before and after taxation		<u>814,807</u>	<u>20,871,450</u>

All amounts relate to continuing activities.

The notes on pages 6 to 8 form part of these financial statements.

ALLIED LONDON (BRUNSWICK) LIMITED**Balance sheet at 31 December 2008**

	Notes	2008 £	2007 £
Current assets			
Debtors	6	44,504,726	44,625,353
Cash at bank and in hand		-	54
		-----	-----
		44,504,726	44,625,407
Creditors: amounts falling due within one year	7	(727,685)	(1,663,173)
		-----	-----
Net assets		43,777,041	42,962,234
		=====	=====
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	43,777,040	42,962,233
		-----	-----
Shareholders' funds - equity		43,777,041	42,962,234
		=====	=====

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the Board and authorised for issue on 29 June 2009.



F P Graham-Watson
Director

The notes on pages 6 to 8 form part of these financial statements.

ALLIED LONDON (BRUNSWICK) LIMITED**Additional financial statements for the year ended 31 December 2008****Statement of total recognised gains and losses
for the year ended 31 December 2008**

	2008	2007
	£	£
Profit for the financial year	814,807	20,871,450
Total recognised gains and losses in the year	<u>814,807</u>	<u>20,871,450</u>

Statement of historical cost profit

	31 December 2008	31 December 2007
	£	£
Profit for the financial year	814,807	20,871,450
Realisation of property revaluation surpluses	-	33,090,438
Historical cost profit on ordinary activities before taxation	<u>814,807</u>	<u>53,961,888</u>
Historical cost retained profit for the year	<u>814,807</u>	<u>53,961,888</u>

**Reconciliation of movements in shareholders' funds
for the year ended 31 December 2008**

	2008	2007
	£	£
Profit for the financial year	814,807	20,871,450
Dividends	-	(10,000,000)
Net increase in shareholders' funds	<u>814,807</u>	<u>10,871,450</u>
Opening shareholder's funds	42,962,234	32,090,784
Closing shareholders' funds	<u>43,777,041</u>	<u>42,962,234</u>

The notes on pages 6 to 8 form part of these financial statements.

ALLIED LONDON (BRUNSWICK) LIMITED

Notes forming part of the financial statements

1. Accounting policies

The following principal accounting policies have been applied in the preparation of these financial statements

a) Accounting convention

These accounts have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

b) Turnover

Turnover is stated net of VAT and comprises rental income and commissions and fees receivable. This is attributable to the company's principal activity wholly undertaken in the United Kingdom.

c) Investment properties

All investment properties are valued each year on an open market value basis and the aggregate surplus or temporary deficit arising from such revaluation is transferred to revaluation reserve. Deficits that are expected to be permanent are taken to profit and loss account. No depreciation is provided. Acquisitions and disposals of properties are recognised where binding contracts have been exchanged during the accounting year, provided completion takes place prior to approval of the accounts.

d) Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2. Operating profit

The company has no employees. The directors received no remuneration in the year. Audit fees are borne by the parent company.

3. Administrative expenses

	2008 £	2007 £
Includes:		
Management charge payable to group undertakings	100,000 =====	1,000,000 =====

ALLIED LONDON (BRUNSWICK) LIMITED

Notes forming part of the financial statements (continued)

4. Interest Payable

	2008 £	2007 £
Interest Payable on Bank loan	- =====	1,681,865 =====

5. Taxation on profit on ordinary activities

	2008 £	2007 £
Reconciliation of current year tax charge:		
Profit/(Loss) on ordinary activities at the standard rate of corporation tax in the UK of 28.5%(2007: 30%)	232,220	6,261,435
Effects of:		
Tax losses utilised	-	(833,531)
Group relief received	(232,220)	(5,427,904)
Current tax charge	- =====	- =====

6. Debtors

	2008 £	2007 £
Trade debtors	26,719	180,567
Sale of properties	-	1,816,000
Amount due from group undertakings	44,478,007	42,282,295
Other debtors	-	346,491
	44,504,726 =====	44,625,353 =====

All amounts shown under debtors fall due for payment within one year.

7. Creditors: amounts falling due within one year

	2008 £	2007 £
Trade creditors	46,728	59,058
Other creditors	317,696	311,341
Accruals and deferred income	363,261	1,292,774
	727,685 =====	1,663,173 =====

Notes forming part of the financial statements (continued)

8. Share capital	2008	2007
	£	£
Authorised:		
1000 Ordinary shares of £1 each	1,000	1,000
	=====	=====
Allotted, called up and fully paid:		
1 ordinary share of £1	1	1
	=====	=====

9. Reserves

	Profit and Loss Account
	£
Balance at 1 January 2008	42,962,233
Profit for the year	814,807

As at 31 December 2008	43,777,040
	=====

10. Cash flow statement

A cash flow statement has not been prepared as the company is a wholly owned subsidiary undertaking of Arrow Property Investments Limited and its funds are managed as part of that company's funds. A group cash flow statement is included in the accounts of Arrow Property Investments Limited.

11. Related Party Transactions

Under the provisions of Financial Reporting Standard No.8, details of related party transactions with fellow group companies are not disclosed as the company's results are consolidated in the financial statements of its intermediate parent company, Arrow Property Investments Limited.

12. Ultimate Parent Company

Arrow Property Investments Limited, a company registered in England, is the parent company of the largest group of which this company is a member and where accounts are publicly available. Copies of the consolidated financial statements of Arrow Property Investments Limited are available from Companies House. The directors consider the ultimate parent company to be Capital Holdco Limited, a company registered in British Virgin Islands.