

5505943

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2010  
FOR  
DEVELOPMENT LAND HOLDINGS PLC**

WEDNESDAY



\*AECUNU8J\*

A08

18/05/2011

223

COMPANIES HOUSE

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2010**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Directors</b>	<b>2</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Profit and Loss Account</b>	<b>7</b>
<b>Balance Sheet</b>	<b>8</b>
<b>Cash Flow Statement</b>	<b>9</b>
<b>Notes to the Cash Flow Statement</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>12</b>

**DEVELOPMENT LAND HOLDINGS PLC**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 OCTOBER 2010**

<b>DIRECTORS:</b>	R P M Abel J Cant
<b>SECRETARY:</b>	B Jenkins
<b>REGISTERED OFFICE:</b>	Harbour Place Serbert Road Portishead Bristol BS20 7GB
<b>REGISTERED NUMBER:</b>	05505943 (England and Wales)
<b>AUDITORS:</b>	T P Lewis & Partners (BOS) Limited Chartered Accountants & Statutory Auditor 3/5 College Street Burnham on Sea Somerset TA8 1AR
<b>BANKERS:</b>	Allied Irish Bank (GB) 19 Whiteladies Road Clifton Bristol BS8 1PB

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 OCTOBER 2010**

The directors present their report with the financial statements of the company for the year ended 31 October 2010

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of buying large plots of land with planning potential, dissecting these into smaller plots and reselling.

**REVIEW OF BUSINESS**

The company was founded with the intention of establishing a diverse and potentially valuable portfolio of land that would offer clients exciting potential returns. A professional and dedicated team of staff was to be built to enable the company to provide the level of back up services needed. The company's chosen route to market is through Independent Financial Advisers. This route had been chosen as we believed it was inappropriate to advise investors on potentially large investments when we had no understanding of their individual circumstances, or the suitability of these investments

Although the requirement to become FSA registered initially had a negative impact on our sales drive, we started the process to become fully authorised by the FSA during the 2007 year and from initial marketing we believed that this would greatly help the company's progress and would make for an exciting future

However, due to the complexities of obtaining full FSA registration, a decision was made during 2007 to not register the company with the FSA

We now have a substantial land bank to accommodate the foreseeable future This is being disposed of on a smaller scale than was previously envisaged

**DIVIDENDS**

No dividends will be distributed for the year ended 31 October 2010

**FUTURE DEVELOPMENTS**

The directors remain confident about the future of the company.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 November 2009 to the date of this report

R P M Abel  
J Cant

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprise of bank balances, other debtors and loans to the company. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances, the liquidity risk is managed by the close monitoring of funds.

In respect of loans, these comprise of loans from both the bank and R P M Abel, director. The interest rate on the loan from the bank is 3% above 3 month LIBOR. The loans from the bank are repayable in full within one year. The loan from the director is interest free.

The loan from Bristol and London Property Limited, a related party under mutual control of R P M Abel, remains outstanding. The loan is interest free.

The company manages the liquidity risk by ensuring there are sufficient funds to meet the payments when they fall due. The directors are aware of the company's required finance.

The directors consider that the potential impact of the introduction of the Euro on the business and operations is not likely to be significant.

**RISK ASSESSMENT**

The directors have considered the risks facing the business and have identified the market value of land stock being maintained and ability to secure debt finance as being the business's key risks.

**KEY PERFORMANCE INDICATORS**

The first accounting period was one of setting up the business. The second and third accounting periods have seen few sales generated, therefore the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**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,
- 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 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.

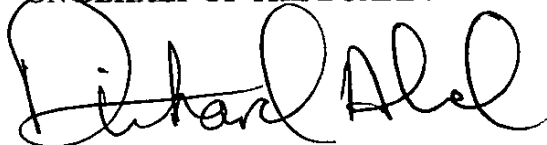
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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**

T P Lewis & Partners (BOS) Limited have expressed their willingness to continue in office.

**ON BEHALF OF THE BOARD:**



.....  
R P M Abel - Director

Date: <sup>5 May</sup>  
~~April~~ 2011

## **REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF DEVELOPMENT LAND HOLDINGS PLC**

We have audited the financial statements of Development Land Holdings plc for the year ended 31 October 2010 on pages seven to sixteen. 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 pages three and four, 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 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 31 October 2010 and of its profit 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.

### **Emphasis of matter- Going concern**

Without qualifying our opinion we draw attention to Note 1 to the financial statements. The Company's bank loans are due for repayment on 30 June 2011 and this may adversely affect the company's ability to continue trading.

Due to considerable losses since the company commenced trading in 2005, the current economic climate, and a breach of covenant on the current debt, there are doubts over whether re-financing will be agreed.

Based on the information provided to us and the director, R Abel, offering personal security, we believe it is reasonable to believe that bank support will continue.

The ultimate outcome of this situation is not known at this time. The preparation of the financial statements on a going concern basis is not felt to be misleading to the user.

### **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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF DEVELOPMENT LAND HOLDINGS PLC

### 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.

*T P Lewis & Partners (BOS) Limited*

C P Greenow FCCA (Senior Statutory Auditor)  
for and on behalf of T P Lewis & Partners (BOS) Limited  
Chartered Accountants  
& Statutory Auditor  
3/5 College Street  
Burnham on Sea  
Somerset  
TA8 1AR

Date <sup>5 May</sup> April 2011



**DEVELOPMENT LAND HOLDINGS PLC (REGISTERED NUMBER: 05505943)**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 OCTOBER 2010**

	Notes	2010 £	2009 £
<b>TURNOVER</b>		11,001	165,050
Cost of sales		<u>(3,843)</u>	<u>(96,420)</u>
<b>GROSS PROFIT</b>		7,158	68,630
Administrative expenses		<u>(16,930)</u>	<u>(17,250)</u>
		(9,772)	51,380
Other operating income		<u>-</u>	<u>2,594</u>
<b>OPERATING (LOSS)/PROFIT</b>	3	(9,772)	53,974
Interest receivable and similar income		<u>-</u>	<u>25</u>
		(9,772)	53,999
Amounts written off investments	4	<u>192,334</u>	<u>(192,335)</u>
		182,562	(138,336)
Interest payable and similar charges	5	<u>(29,491)</u>	<u>(39,095)</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		153,071	(177,431)
Tax on profit/(loss) on ordinary activities	6	<u>-</u>	<u>(726)</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>153,071</u>	<u>(178,157)</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 profit for the current year and the loss for the previous year.

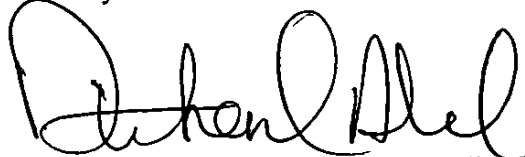
The notes form part of these financial statements

**DEVELOPMENT LAND HOLDINGS PLC (REGISTERED NUMBER: 05505943)**

**BALANCE SHEET  
31 OCTOBER 2010**

	Notes	2010 £	£	2009 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		15,603		20,077
<b>CURRENT ASSETS</b>					
Stocks	8	957,826		769,335	
Debtors	9	1		2,500	
Prepayments and accrued income		167		167	
Cash at bank and in hand		12		42,057	
		<u>958,006</u>		<u>814,059</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<u>1,342,231</u>		<u>1,355,829</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(384,225)</u>		<u>(541,770)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(368,622)</u>		<u>(521,693)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		50,001		50,001
Profit and loss account	14		<u>(418,623)</u>		<u>(571,694)</u>
<b>SHAREHOLDERS' FUNDS</b>	17		<u>(368,622)</u>		<u>(521,693)</u>

The financial statements were approved by the Board of Directors on <sup>May</sup>~~April~~ 2011 and were signed on its behalf by:



R P M Abel - Director

The notes form part of these financial statements

**DEVELOPMENT LAND HOLDINGS PLC (REGISTERED NUMBER: 05505943)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 OCTOBER 2010**

	Notes	2010 £	2009 £
<b>Net cash (outflow)/inflow from operating activities</b>	1	(192,210)	320,320
<b>Returns on investments and servicing of finance</b>	2	(32,369)	(38,920)
<b>Taxation</b>		(726)	-
<b>Capital expenditure and financial investment</b>	2	192,334	(192,333)
		<u>(32,971)</u>	<u>89,067</u>
<b>Financing</b>	2	<u>(9,776)</u>	<u>(67,294)</u>
<b>(Decrease)/Increase in cash in the period</b>		<u><u>(42,747)</u></u>	<u><u>21,773</u></u>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
(Decrease)/Increase in cash in the period		(42,747)	21,773
Cash outflow from decrease in debt		<u>10,000</u>	<u>50,294</u>
Change in net debt resulting from cash flows		<u>(32,747)</u>	<u>72,067</u>
<b>Movement in net debt in the period</b>		<u>(32,747)</u>	<u>72,067</u>
<b>Net debt at 1 November</b>		<u>(606,943)</u>	<u>(679,010)</u>
<b>Net debt at 31 October</b>		<u><u>(639,690)</u></u>	<u><u>(606,943)</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**1 RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH  
(OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES**

	2010	2009
	£	£
Operating (loss)/profit	(9,772)	53,974
Depreciation charges	4,474	6,663
(Increase)/Decrease in stocks	(188,491)	288,754
Decrease in debtors	2,499	254
Decrease in creditors	(920)	(29,325)
	<u>(192,210)</u>	<u>320,320</u>
<b>Net cash (outflow)/inflow from operating activities</b>	<u><u>(192,210)</u></u>	<u><u>320,320</u></u>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW  
STATEMENT**

	2010	2009
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	-	25
Interest paid	(32,369)	(38,945)
	<u>(32,369)</u>	<u>(38,920)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<u><u>(32,369)</u></u>	<u><u>(38,920)</u></u>
 <b>Capital expenditure and financial investment</b>		
Investment in subsidiary written off	-	1
Impairment of land bank	192,334	(192,334)
	<u>192,334</u>	<u>(192,333)</u>
<b>Net cash inflow/(outflow) for capital expenditure and financial investment</b>	<u><u>192,334</u></u>	<u><u>(192,333)</u></u>
 <b>Financing</b>		
Loan repayments in year	(10,000)	(50,294)
Amount withdrawn by directors	224	(17,000)
	<u>(9,776)</u>	<u>(67,294)</u>
<b>Net cash outflow from financing</b>	<u><u>(9,776)</u></u>	<u><u>(67,294)</u></u>

The notes form part of these financial statements

**DEVELOPMENT LAND HOLDINGS PLC (REGISTERED NUMBER: 05505943)**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 11 09 £	Cash flow £	At 31 10 10 £
Net cash			
Cash at bank and in hand	42,057	(42,045)	12
Bank overdraft	-	(702)	(702)
	<u>42,057</u>	<u>(42,747)</u>	<u>(690)</u>
 Debt			
Debts falling due within one year	(649,000)	10,000	(639,000)
	<u>(649,000)</u>	<u>10,000</u>	<u>(639,000)</u>
 Total	<u>(606,943)</u>	<u>(32,747)</u>	<u>(639,690)</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**1. ACCOUNTING POLICIES**

**Accounting convention**

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

**Turnover**

Turnover represents sales on individual plots of land, upon legal completion

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

**Going concern**

The financial statements are prepared on a going concern basis which the directors believe to be appropriate as the company is funded by loans provided by R P M Abel (director) and the bank R P M Abel has pledged continuing financial support for the foreseeable future to enable the company to continue to trade

If the company were unable to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount to provide for any further liability that might arise and to reclassify fixed assets as current

**2. STAFF COSTS**

There were no staff costs for the year ended 31 October 2010 nor for the year ended 31 October 2009.

**3. OPERATING (LOSS)/PROFIT**

The operating loss (2009 - operating profit) is stated after charging

	2010 £	2009 £
Depreciation - owned assets	4,474	6,663
Auditors' remuneration	3,614	3,274
Auditors' remuneration for non audit work	1,000	1,000
	<u>          </u>	<u>          </u>
Directors' remuneration	<u>          -</u>	<u>          -</u>

**4. AMOUNTS WRITTEN OFF  
INVESTMENTS**

	2010 £	2009 £
Investment in subsidiary written off	-	1
Impairment of land bank	(192,334)	192,334
	<u>          </u>	<u>          </u>
	<u>(192,334)</u>	<u>192,335</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

	2010 £	2009 £
Bank interest	134	14
Bank loan interest	28,146	39,081
Corporation tax late payment interest	3	-
Interest on late paid PAYE	1,208	-
	<u>29,491</u>	<u>39,095</u>

**6 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2010 £	2009 £
Current tax:		
UK corporation tax	-	726
	<u>-</u>	<u>726</u>
Tax on profit/(loss) on ordinary activities	<u>-</u>	<u>726</u>

**Factors affecting the tax charge**

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

	2010 £	2009 £
Profit/(loss) on ordinary activities before tax	<u>153,071</u>	<u>(177,431)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	42,860	(49,681)
Effects of:		
Unutilised tax losses	10,048	-
Capital allowances in excess of disposal value	606	1,057
Permanently disallowed items	(53,514)	53,854
Trading losses brought forward	-	(4,504)
	<u>-</u>	<u>726</u>
Current tax charge	<u>-</u>	<u>726</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 November 2009 and 31 October 2010	<u>35,789</u>	<u>17,035</u>	<u>52,824</u>
<b>DEPRECIATION</b>			
At 1 November 2009	15,712	17,035	32,747
Charge for year	<u>4,474</u>	<u>-</u>	<u>4,474</u>
At 31 October 2010	<u>20,186</u>	<u>17,035</u>	<u>37,221</u>
<b>NET BOOK VALUE</b>			
At 31 October 2010	<u>15,603</u>	<u>-</u>	<u>15,603</u>
At 31 October 2009	<u>20,077</u>	<u>-</u>	<u>20,077</u>

**8 STOCKS**

	2010 £	2009 £
Land bank	<u>957,826</u>	<u>769,335</u>

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Trade debtors	<u>1</u>	<u>2,500</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Bank loans and overdrafts (see note 11)	639,702	649,000
Trade creditors	4,813	4,025
Tax	-	726
Social security and other taxes	-	5,932
Other creditors	103,671	103,671
Directors' current accounts	586,321	586,097
Accruals and deferred income	7,724	6,378
	<u>1,342,231</u>	<u>1,355,829</u>



**DEVELOPMENT LAND HOLDINGS PLC (REGISTERED NUMBER: 05505943)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**11 LOANS**

An analysis of the maturity of loans is given below.

	2010 £	2009 £
Amounts falling due within one year or on demand:		
Bank overdrafts	702	-
Bank loans	639,000	649,000
	<u>639,702</u>	<u>649,000</u>

**12 SECURED DEBTS**

The following secured debts are included within creditors:

	2010 £	2009 £
Bank overdraft	702	-
Bank loans	639,000	649,000
	<u>639,702</u>	<u>649,000</u>

The bank loans are secured over the company's land bank. Interest charges are incurred on the loans at 3% above base rates. The bank loan is due for repayment on 31 May 2010.

The director R P M Abel has also provided a personal guarantee of £750,000 over the company's debts.

**13 CALLED UP SHARE CAPITAL**

Allotted and issued:			2010	2009
Number:	Class	Nominal value.	£	£
50,001	Ordinary	£1	<u>50,001</u>	<u>50,001</u>

**14 RESERVES**

	Profit and loss account £
At 1 November 2009	(571,694)
Profit for the year	<u>153,071</u>
At 31 October 2010	<u>(418,623)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 OCTOBER 2010**

**15 RELATED PARTY DISCLOSURES**

At 31 October 2010 £586,321 (2009 £586,097) was owed to R P M Abel by the company. The maximum outstanding to R P M Abel during the year was £586,321 (2009 £603,097) and the minimum was £586,097. No interest was received during the year on this loan

R P M Abel owns 100% of Bristol and London Property Limited, which is therefore considered to be a related company. During the year to 31 October 2010, no transactions took place with Bristol and London Property Limited. There is however a balance owed to Bristol & London Property Limited of £103,671 brought forward from 2006. This figure is shown under other creditors. No interest is due on this loan.

**16. ULTIMATE CONTROLLING PARTY**

R P M Abel holds 99.9% of the issued share capital of the company and as a result is the ultimate controlling party

**17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2010 £	2009 £
Profit/(Loss) for the financial year	153,071	(178,157)
<b>Net addition/(reduction) to shareholders' funds</b>	153,071	(178,157)
Opening shareholders' funds	(521,693)	(343,536)
<b>Closing shareholders' funds</b>	<u>(368,622)</u>	<u>(521,693)</u>