

**Branden Property Limited**  
**STATUTORY FINANCIAL STATEMENTS**  
for the year ended  
31 October 2008

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# Branden Property Limited

## DIRECTORS AND PROFESSIONAL ADVISERS

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### DIRECTORS

J C Barnsley  
C J Dalzell  
R M Wright  
T M S Wooldridge

### SECRETARY

T M S Wooldridge

### REGISTERED OFFICE

Branden Property Limited  
St Ann's Wharf  
112 Quayside  
Newcastle Upon Tyne  
NE99 1SB

### AUDITORS

Baker Tilly UK Audit LLP  
2 Whitehall Quay  
Leeds  
LS1 4HG

# Branden Property Limited

## DIRECTORS' REPORT

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The directors submit their report and the financial statements of Branden Property Limited for the year ended 31 October 2008.

Branden Property Limited is a limited company, incorporated and domiciled in England.

### PRINCIPAL ACTIVITIES

The principal activity of the company is to carry on a property investment business. The property and investment has to date been made in Germany.

### RESULTS AND DIVIDENDS

The results of the period are set out on page 6. The directors do not recommend payment of a dividend.

### PRESENTATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. These financial statements are presented in Euros since that is the currency in which the majority of the company's transactions are denominated.

### DIRECTORS

The directors of the company from 1 November 2007 were:

R W Jefferson	(resigned 21 December 2007)
J C Barnsley	
C J Gill	(resigned 16 December 2007)
C J Dalzell	
R M Wright	(appointed 21 December 2007)
T M S Wooldridge	(appointed 21 December 2007)

### FINANCIAL INSTRUMENTS

The company uses interest risk swaps as a means of managing the interest rate risks on its third party loans. The policies for managing these risks are reviewed on a regular basis by the directors.

Borrowings are made at floating rates that can then be fixed by means of interest rate swaps. The company's policy has been to ensure that most of its borrowings are at fixed rates. At the period end 100% of its borrowings were fixed using interest rate swaps.

### AUDITORS

A resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

# Branden Property Limited

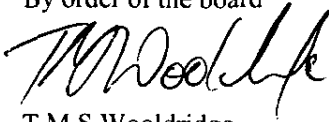
## DIRECTORS' REPORT

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### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board



T M S Wooldridge  
Director

19 January 2009

# Branden Property Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The directors have elected to prepare financial statements for the Company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. Company law requires the directors to prepare such financial statements in accordance with IFRS, the Companies Act 1985 and Article 4 of the IAS Regulation.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cashflows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the preparation and presentation of Financial Statements". In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards.

Directors are also required to:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

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 requirement of 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRANDEN PROPERTY LIMITED

We have audited the financial statements on pages 6 to 20.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 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 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**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union 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 are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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.

### **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 judgements 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 International Financial Reporting Standards as adopted by the European Union, of the state of the company's affairs at 31 October 2008 and of its profit for the year then ended and 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.

*Baker Tilly UK Audit LLP*

BAKER TILLY UK AUDIT LLP  
Registered Auditor  
Chartered Accountants

24 Feb 2009

**Branden Property Limited**  
**INCOME STATEMENT**  
for the year ended 31 October 2008

	<i>Notes</i>	2008 €	2007 €
Revenue:			
Income from investment property	1	1,341,677	1,177,407
Administration expenses		(189,711)	(337,616)
		<hr/>	<hr/>
Operating profit before net gain on investments		1,151,966	839,791
Net gain from fair value adjustments on investment properties	6	-	1,168,913
		<hr/>	<hr/>
OPERATING PROFIT	2	1,151,966	2,008,704
Finance costs	3	(887,406)	(934,786)
Investment income	4	463	304
		<hr/>	<hr/>
PROFIT BEFORE INCOME TAX		265,023	1,074,222
Income tax expense	5	(90,090)	(300,865)
		<hr/>	<hr/>
PROFIT FOR THE YEAR		174,933	773,357
		<hr/>	<hr/>

# Branden Property Limited

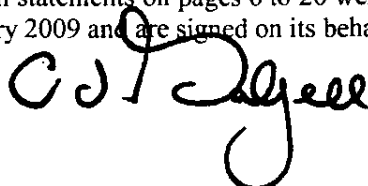
## BALANCE SHEET

31 October 2008

	Notes	2008 €	2007 €
ASSETS			
Non current assets:			
Investment property	6	23,080,000	23,080,000
		<u>23,080,000</u>	<u>23,080,000</u>
Current assets:			
Trade and other receivables	7	71,599	517,620
Cash and cash equivalents	7	224,386	146,131
		<u>295,985</u>	<u>663,751</u>
TOTAL ASSETS		<u>23,375,985</u>	<u>23,743,751</u>
EQUITIES AND LIABILITIES			
Current liabilities:			
Trade and other payables	12	473,941	573,806
Tax liabilities		-	82
Bank loans	8	40,552	48,196
		<u>514,493</u>	<u>622,084</u>
Long term liabilities:			
Bank loans	8	16,705,516	20,187,904
Deferred income tax liabilities	10	338,923	400,820
		<u>17,044,439</u>	<u>20,588,724</u>
TOTAL LIABILITIES		<u>17,558,932</u>	<u>21,210,808</u>
EQUITY			
Share capital	11	5,000,000	1,500,000
Other reserves	9	(133,586)	257,237
Retained earnings	14	950,639	775,706
		<u>5,817,053</u>	<u>2,532,943</u>
TOTAL EQUITY		<u>5,817,053</u>	<u>2,532,943</u>
TOTAL EQUITY AND LIABILITIES		<u>23,375,985</u>	<u>23,743,751</u>

The financial statements on pages 6 to 20 were approved by the board of directors and authorised for issue on 19 January 2009 and are signed on its behalf by:

C J Dalzell  
Director





**Branden Property Limited**  
**STATEMENT OF CHANGES IN EQUITY**  
**31 October 2008**

	Total Equity 2008 €	Total Equity 2007 €
Balance at 1 November 2007	2,532,943	1,502,349
Issued share capital	3,500,000	-
Profit for the period	174,933	773,357
	<hr/>	<hr/>
	6,207,876	2,275,706
Change in fair value of derivative financial instruments	(542,810)	357,274
Deferred taxation on fair value adjustment	151,987	(100,037)
	<hr/>	<hr/>
Balance at 31 October 2008	<u>5,817,053</u>	<u>2,532,943</u>

# Branden Property Limited

## CASH FLOW STATEMENT

for the year ended 31 October 2008

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	<i>Notes</i>	2008 €	2007 €
<b>OPERATING ACTIVITIES</b>			
Cash generated from operations	13	980,432	2,078,708
Interest paid		(887,406)	( 934,786)
Income taxes paid		(25,202)	( 450)
Capitalised finance costs		-	( 263,900)
		<hr/>	<hr/>
NET CASH FROM OPERATING ACTIVITIES		67,824	879,572
		<hr/>	<hr/>
<b>INVESTING ACTIVITIES</b>			
Interest received		463	304
Property acquisition expenses		-	(21,911,087)
		<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES		463	(21,910,783)
		<hr/>	<hr/>
<b>FINANCING ACTIVITIES</b>			
Issue of ordinary shares		3,500,000	-
New bank loans raised		-	20,500,000
Bank loan repayments		(3,490,032)	
		<hr/>	<hr/>
NET CASH FROM FINANCING ACTIVITIES		9,968	20,500,000
		<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		78,255	( 531,211)
		<hr/>	<hr/>

# Branden Property Limited

## ACCOUNTING POLICIES

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### ACCOUNTING CONVENTION

The accounts have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The accounts have been prepared under the historical cost convention except for the revaluation of investment properties, certain financial instruments and deferred tax thereon. The principal accounting policies adopted are set out below:

### BASIS OF PREPARATION

The company is a subsidiary undertaking which has agreed a declaration of trust to transfer the beneficial ownership to Candama Investors Limited Partnership.

These financial statements are presented in Euros since that is the currency in which the majority of the company transactions are denominated.

### REVENUE RECOGNITION

The accounts have been prepared in accordance with International Financial Reporting Standards ("IFRS").

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

### FOREIGN CURRENCIES

Transactions in currencies other than euros are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement for the period, except for exchange differences on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

### TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the balance sheet date.

### INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is stated at its fair value at the balance sheet date. Gains or losses arising from changes in the fair value of investment property are included in net profit or loss for the period in which they arise.

Gains or losses arising from the retirement or disposal of investment property being the difference between the net disposal proceeds and carrying value are included in profit or loss for the period of the retirement/disposal except those that relate to sale and leaseback arrangements.

# Branden Property Limited

## ACCOUNTING POLICIES

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### FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company has become a party to the contractual provisions of the instrument.

#### *Trade receivables*

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

#### *Bank borrowings*

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

#### *Trade payables*

Trade payables are not interest bearing and are stated at their nominal value.

#### *Equity instruments*

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

#### *Derivative financial instruments and hedge accounting*

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The company uses interest rate swap contracts to hedge these exposures. The company does not use derivative financial instruments for speculative purposes.

The use of financial derivatives is governed by the company's policies approved by the board of directors.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of an asset or liability, then, at the same time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or liability, amounts deferred in equity are recognised in the income statements in the same period in which the hedged item affects net profit or loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the period.

### PROVISIONS

Provisions are recognised when the Company has a present obligation as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

### CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Branden Property Limited

## ACCOUNTING POLICIES

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### *Critical accounting estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The Company is subject to income taxes in two jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

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### 1 BUSINESS AND GEOGRAPHICAL SEGMENTS

All of the company's revenue is derived from rent on investment property located in Germany.

### 2 PROFIT FROM OPERATIONS

	2008 €	2007 €
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Operating profit is arrived at after charging:

Auditors' remuneration – statutory audit

Exchange differences

4,500

3,500

3,085

9,828

### 3 FINANCE COST

	2008 €	2007 €
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Interest on bank loans

Amortisation of issue of costs

864,938

929,677

22,468

5,109

887,406

934,786

### 4 INVESTMENT INCOME

	2008 €	2007 €
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Interest on bank deposits

463

304

**Branden Property Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 October 2008

5	INCOME TAX EXPENSE	2008 €	2007 €
	Analysis of charge in the period		
	Current tax:		
	Adjustments in respect of prior years	-	82
	Total current tax	-	82
	Deferred taxation:		
	Origination and reversal of timing differences	75,648	300,783
	Adjustments in respect of prior years	14,442	-
	Total deferred tax	90,090	300,783
	Tax on profit on ordinary activities	90,090	300,865
	Factors affecting the tax charge for the period:		
		2008 €	2007 €
	Profit before tax	265,023	1,074,222
	Tax at the domestic income tax rate of 28% (2007: 30%)	74,206	322,267
	Effects of:		
	Exchange differences	1,442	-
	Adjustments in respect of prior years	14,442	82
	Changes in corporation tax rates	-	( 21,484)
	Current tax charge for the period	90,090	300,865

# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

6	INVESTMENT PROPERTY	2008 €	2007 €
	At 1 November 2007	23,080,000	-
	Additions at cost	-	21,911,087
	Net gains from fair value adjustments	-	1,168,913
		<u>23,080,000</u>	<u>23,080,000</u>
	At 31 October 2008	23,080,000	23,080,000

The fair value of the Company's investment property has been arrived at from a valuation carried out by Cushman & Wakefield, Chartered Surveyors, on an open market value basis. The valuation was arrived at by reference to market evidence of transaction prices for similar properties.

The Company has pledged all of its investment property to secure general banking facilities granted to the Company.

The property rental income earned by the Company from its investment property, all of which is leased out under operating leases, amounted to all of the income shown in the Income Statement. Direct operating expenses arising on the investment property in the period amounted to all of the administrative expenses shown in the Income Statement.

## 7 OTHER FINANCIAL ASSETS

**Trade and other receivables** comprise the following amounts:

	2008 €	2007 €
Prepayments and accrued income	25,629	61,344
Other receivables	45,970	99,002
Interest rate derivatives	-	357,274
	<u>71,599</u>	<u>517,620</u>

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

**Cash and cash equivalents** comprise cash and short term deposits held by the company treasury function. The carrying amount of these assets approximates their fair value.

**Credit risk** – the Company's financial assets are bank balances and cash, trade and other receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies.



# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

8	BANK LOANS	2008 €	2007 €
	Bank loans	16,987,500	20,500,000
	The bank loans are repayable as follows:		
	Within one year	62,500	75,000
	In the second year	112,500	300,000
	In the third to fifth year inclusive	712,500	1,425,000
	After five years	16,100,000	18,700,000
		16,987,500	20,500,000
	Less unamortised issue costs	(241,432)	(263,900)
		16,746,068	20,236,100

During the year issue costs of €nil (2007: €284,612) have been capitalised and are amortised over the length of the bank loan to which they relate.

All of the bank loans are denominated in Euros. The loans were arranged at a fixed margin and a floating rate linked to EURIBOR. The floating rate exposes the company to interest rate risks.

The company has a loan facility to October 2019 repayable by quarterly instalments commencing in October 2008. The borrowings are secured by a charge over the investment properties.

## 9 DERIVATIVE FINANCIAL INSTRUMENTS

The company uses interest rate swaps to manage its exposure to interest rate movement on the floating rate of its bank borrowings. The weighted average rate and the weighted average period of the interest rate swaps as at 31 October 2008 are as follows:

	2008	2007
Weighted average rate	5.06%	4.95%
Weighted average period of interest rate swaps	5.3 years	3.14 years

The fair value deficit of swaps entered into at 31 October 2008 is estimated at €185,536 (2007: surplus €357,274). These amounts are based on market values of equivalent instruments at the balance sheet date. All of these interest rate swaps are designated and effective as cash flow hedges and the fair value therefore has been deferred in equity. The deferred taxation on these is calculated as €nil (2007: €100,037).

**Branden Property Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 October 2008

9 DERIVATIVE FINANCIAL INSTRUMENTS *(continued)*

	2008 €	2007 €
Balance at 1 November 2007	257,237	-
(Decrease)increase in the fair value of hedging instruments	(542,810)	357,274
Decrease/(increase) in deferred tax on fair value adjustments on interest rate derivatives	151,987	(100,037)
	<u>          </u>	<u>          </u>
Balance at 31 October 2008	<u>(133,586)</u>	<u>257,237</u>

10 DEFERRED TAX

	2008 €	2007 €
Analysis for financial reporting purposes: Deferred tax liabilities	338,923	400,820
	<u>          </u>	<u>          </u>
Net position at 31 October 2008	<u>338,923</u>	<u>400,820</u>

The movement in the period in the company's deferred tax position was as follows:

	2008 €	2007 €
Balance at 1 November 2007	400,820	-
Unrealised net gain from fair value adjustment to property investment	-	327,296
Deferred tax on fair value adjustments on interest rate derivatives	(151,987)	100,037
Unutilised tax losses	(11,461)	(26,513)
Prior year adjustment	14,442	-
Capital allowances	87,109	-
	<u>          </u>	<u>          </u>
Balance at 31 October 2008	<u>338,923</u>	<u>400,820</u>

# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

11	EQUITY SHARE CAPITAL	2008 €	2007 €
	Authorised		
	'A' Ordinary shares of €1 each	5,000,000	1,500,000
	'B' Ordinary shares of €1 each	147	147
		<u>5,000,147</u>	<u>1,500,147</u>
		2008 €	2007 €
	Issued		
	'A' Ordinary shares of €1 each	5,000,000	1,500,000
	'B' Ordinary shares of €1 each	-	-
		<u>5,000,000</u>	<u>1,500,000</u>

The 'A' ordinary shares and 'B' ordinary shares rank pari passu and carry the same rights and privileges in all respects, save as to the respective amounts of nominal capital payable on a winding-up or on a reduction or return of capital.

The shares carry no right to a fixed income.

## 12 OTHER FINANCIAL LIABILITIES

**Trade and other payables** comprise the following amounts:

	2008 €	2007 €
Trade payables	1,227	123,570
Amounts owed to parent undertaking	238,502	421,757
Other payables	47,432	16,491
Payments on account	1,244	11,988
Interest rate derivatives	185,536	-
	<u>473,941</u>	<u>573,806</u>

The directors consider the carrying amount of trade payables approximates to their fair value.

# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

13	RECONCILIATION OF PROFIT FROM OPERATIONS TO NET CASH FROM OPERATING ACTIVITIES	2008 €	2007 €
	Operating profit	1,151,966	2,008,704
	Net gain on fair value of investment properties	-	(1,168,913)
	Decrease in receivables	113,867	736,621
	(Decrease)/increase in payables	(285,401)	502,296
		<hr/>	<hr/>
	Cash generated from operations	980,432	2,078,708
		<hr/>	<hr/>

14	RESERVES		<i>Retained earnings</i>
	At 1 November 2007		775,706
	Profit for the year		174,933
			<hr/>
	At 31 October 2008		950,639
			<hr/>

### 15 CAPITAL COMMITMENTS

The company had no capital commitments at 31 October 2008.

### 16 OPERATING LEASES

The Group leases out its investment property under operating leases.

The figure aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	2008 €	2007 €
Not later than one year	1,263,456	1,240,404
Later than one year but no later than five years	5,053,824	4,961,616
Later than five years	11,592,641	12,624,934
	<hr/>	<hr/>
	17,909,921	18,826,954
	<hr/>	<hr/>

The operating leases on the investment property provides for contingent rental increases.

This contingent rent has not been disclosed in the above note.

# Branden Property Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 October 2008

### 17 RELATED PARTY TRANSACTIONS

During the year ended 31 October 2008, the company had the following transactions with its parent undertaking.

<b>Candama Investors LP</b>	Transactions in		Amounts due from		Amounts due to	
	2008	2007	2008	2007	2008	2007
	€	€	€	€	€	€
Management fees payable	40,319	90,300	-	-	9,406	90,300
Payments received on account	-	-	-	-	229,096	331,457
Payments on account	102,361	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

### 18 ULTIMATE CONTROLLING PARTY

The directors consider Golftee GP Limited, the General Partner of its parent undertaking, to be the ultimate controlling party.