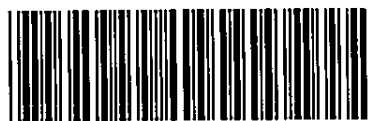


**Dundonald (Cumbernauld) Limited**

**Financial statements**

**30 June 2009**

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# **Dundonald (Cumbernauld) Limited**

## **Financial statements**

**Year ended 30 June 2009**

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# **Dundonald (Cumbernauld) Limited**

## **Directors and advisors**

### **The board of directors**

E M Ziff  
R A Lewis  
R H Bigley (Resigned 30 November 2009)  
D S Gee

### **Company secretary**

A E McGookin

### **Registered office**

Town Centre House  
The Merrion Centre  
Leeds  
LS2 8LY

### **Auditor**

PricewaterhouseCoopers LLP  
Chartered Accountants  
& Statutory Auditor  
Benson House  
33 Wellington Street  
Leeds  
LS1 4JP

### **Bankers**

Lloyds Banking Group Plc  
  
The Royal Bank of Scotland

# **Dundonald (Cumbernauld) Limited**

## **The directors' report**

### **Year ended 30 June 2009**

The directors present their report and the financial statements of the Company for the year ended 30 June 2009. The directors' report has been prepared in accordance with the small companies regime of the Companies Act 2006.

### **Principal activities and business review**

The principal activity of the Company during the year was property investment.

### **Future outlook**

The performance of the Company is in line with the previous year and also with directors' expectations. We remain confident that, in spite of a downturn in investment property conditions that we should maintain our current level of performance in the future.

### **Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company are considered to relate to the recession in the UK economy and the impact this may have on the long-term viability of key tenants and the subsequent impact on the valuation of our investment property portfolio.

### **Key performance indicators ("KPI's")**

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### **Results and dividends**

The profit for the year amounted to £21,503 (2008: loss £53,178). The directors have not recommended a dividend (2008: £nil).

### **Directors**

The directors who served the Company during the year were as follows:

E M Ziff	
R A Lewis	
R H Bigley	(Resigned 30 November 2009)
D S Gee	
T J Crawford	(Resigned 24 July 2008)
K L Prior	(Resigned 9 April 2009)

### **Directors' responsibilities**

The directors are responsible for preparing the Directors' Report 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 those financial statements, the directors are required to

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

# Dundonald (Cumbernauld) Limited

## The directors' report *(continued)*

Year ended 30 June 2009

- 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

In so far as the directors are aware:

- there is no relevant audit information of which the Company's auditor is unaware, and  
the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditor

PricewaterhouseCoopers LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Signed by order of the directors



A E McGookin  
Company Secretary

Approved by the directors on 26 February 2010

# Dundonald (Cumbernauld) Limited

## Independent auditor's report to the shareholders of Dundonald (Cumbernauld) Limited for the year ended 30 June 2009

We have audited the financial statements of Dundonald (Cumbernauld) Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Cash Flow Statement and the related notes. 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).

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 to 3, 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 (APB's) Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Sections 495 and 496 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### 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 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 30 June 2009 and of its profit and cash flows for the year then ended,

have been 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 matters prescribed by the Companies Act 2006

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

*Ian Morrison*

Ian Morrison (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds

26 February 2010

# Dundonald (Cumbernauld) Limited

## Profit and loss account

Year ended 30 June 2009

	Note	2009 £	2008 £
Turnover		130,362	130,362
Property expenses		(10,049)	(2,462)
Operating profit	2	120,313	127,900
Interest receivable and similar income		36	–
Interest payable and similar charges		(98,846)	(181,078)
Profit/(loss) on ordinary activities before taxation		21,503	(53,178)
Tax on profit/(loss) on ordinary activities	3	–	–
Profit/(loss) for the financial year		21,503	(53,178)

All of the activities of the Company are classed as continuing

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

The notes on pages 9 to 12 form part of these financial statements.

## **Dundonald (Cumbernauld) Limited**

### **Statement of total recognised gains and losses**

**Year ended 30 June 2009**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Profit/(Loss) for the financial year attributable to the shareholders	<b>21,503</b>	<b>(53,178)</b>
Unrealised loss on revaluation of certain fixed assets	<b>(310,000)</b>	<b>(110,000)</b>
Total gains and losses recognised since the last annual report	<b><u>(288,497)</u></b>	<b><u>(163,178)</u></b>

**The notes on pages 9 to 12 form part of these financial statements.**



# Dundonald (Cumbernauld) Limited

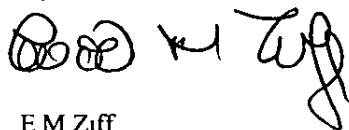
## Balance sheet

30 June 2009

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	4	<u>1,880,000</u>	<u>2,190,000</u>
<b>Current assets</b>			
Debtors	5	253	217,797
<b>Creditors: Amounts falling due within one year</b>	6	<u>(2,208,442)</u>	<u>(2,447,489)</u>
<b>Net current liabilities</b>		<u>(2,208,189)</u>	<u>(2,229,692)</u>
<b>Total assets less current liabilities</b>		<u>(328,189)</u>	<u>(39,692)</u>
<b>Capital and reserves</b>			
Called-up equity share capital	8	1	1
Revaluation reserve	9	(284,636)	25,364
Profit and loss account	9	<u>(43,554)</u>	<u>(65,057)</u>
<b>Total shareholders' deficit</b>	10	<u>(328,189)</u>	<u>(39,692)</u>

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

These financial statements were approved by the directors and authorised for issue on 26 2 10, and are signed on their behalf by



E M Ziff

Director

Dundonald (Cumbernauld) Ltd (Registered Number 5983938)

The notes on pages 9 to 12 form part of these financial statements.

## **Dundonald (Cumbernauld) Limited**

### **Cash flow statement**

**Year ended 30 June 2009**

	<b>Note</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
<b>Net cash inflow from operating activities</b>	<b>11</b>	<b>98,810</b>	<b>181,078</b>
<b>Returns on investments and servicing of finance</b>	<b>11</b>	<b>(98,810)</b>	<b>(181,078)</b>
<b>Increase in cash</b>		<b>—</b>	<b>—</b>

The cash flow statement should be read in conjunction with the Note given above

**The notes on pages 9 to 12 form part of these financial statements.**

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements

Year ended 30 June 2009

### 1. Accounting policies

#### Basis of preparation

The financial statements are prepared on the going concern basis, under the historical cost convention, as modified to include the revaluation of certain fixed assets, as modified by the revaluation of certain fixed assets and in accordance with the Companies Act 2006 and applicable accounting standards

The directors have received confirmation from Town Centre Securities PLC and the group undertakings that they do not intend to seek repayment of amounts owed within one year of date of approval of these financial statements, and that they will continue to support the business for the foreseeable future

The principal accounting policies, which have been applied consistently, are as follows

#### Rental income

Turnover, which excludes value added tax, represents the invoiced value of rent and services supplied to customers. Rental income is accounted for as it falls due in accordance with the lease to which it relates

#### Investment properties

Investment properties are included in the accounts at open market values based on a valuation as at 30 June each year. Short leasehold properties are held at cost and are amortised over the life of the lease

#### Depreciation and amortisation

In accordance with SSAP 19 "Accounting for Investment Properties", no depreciation or amortisation is provided in respect of freehold and long leasehold investment properties, including fixed plant, which is included in properties. The requirement of the Companies Act 2006 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The Directors consider that this accounting policy is necessary for the Accounts to give a true and fair view. Depreciation or amortisation is only one of the factors reflected in the accounts' valuation and the amount attributable to this factor cannot be separately identified or quantified. If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation

#### Profit available for distribution

Surpluses arising on revaluations of properties are not regarded as being available for dividend and are, therefore, transferred to non distributable reserves

### 2. Operating profit

Operating profit is stated after charging

	2009	2008
	£	£
Auditor's fees	500	500

None of the directors received any emoluments in respect of their services to the company during the year (2008 £nil). The company had no other employees in the year to 30 June 2009 (2008 none)

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2009

### 3. Taxation on ordinary activities

#### Factors affecting current tax charge

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 - 29.50%)

	2009 £	2008 £
Profit/(loss) on ordinary activities before taxation	<u>21,503</u>	<u>(53,178)</u>
Profit/(loss) on ordinary activities by rate of tax	6,021	(15,688)
Utilisation of tax losses	(4,516)	-
Difference between standard rate and small companies rate of tax	(1,505)	4,521
Losses to carry forward against future profits	-	11,167
Total current tax	<u>-</u>	<u>-</u>

The standard rate of Corporation Tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the company's profit for this accounting year are taxed at an effective rate of 28% and will be taxed at 28% in the future.

### 4. Tangible fixed assets

	Freehold Property £
<b>Cost or valuation</b>	
At 1 July 2008	2,190,000
Revaluation	<u>(310,000)</u>
<b>At 30 June 2009</b>	<u>1,880,000</u>
<b>Net book value</b>	
<b>At 30 June 2009</b>	<u>1,880,000</u>
At 30 June 2008	<u>2,190,000</u>

Investment properties were revalued by the directors as at 30 June 2009 on the basis of open market value. In arriving at the total valuation each property has been valued individually and no allowance has been made for expenses of realisation or for taxation, which may arise in the event of a disposal.

### 5. Debtors

	2009 £	2008 £
Trade debtors	253	-
Amounts owed by parent undertaking	-	217,797
	<u>253</u>	<u>217,797</u>

Amounts owed by parent undertaking are unsecured, interest free and repayable on demand.

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2009

### 6. Creditors: Amounts falling due within one year

	2009	2008
	£	£
Trade creditors	—	3,335
Amounts owed to Town Centre Securities PLC	1,755,758	2,418,599
Amounts owed to parent undertaking	410,777	—
VAT	5,071	—
Other creditors	3,097	2,509
Accruals and deferred income	33,739	23,046
	<u>2,208,442</u>	<u>2,447,489</u>

Amounts owed to Town Centre Securities PLC and to parent undertaking are unsecured and repayable on demand. The directors have received confirmation from those companies that they do not intend to seek repayment within one year of the date of approval of these financial statements.

### 7. Related party transactions

Town Centre Securities PLC provided administrative and secretarial services to the company free of charge. During the year, interest payable of £98,846 on the loan from Town Centre Securities PLC was charged at a commercial rate.

### 8. Share capital

#### Authorised share capital:

	2009	2008
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

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

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

### 9. Reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance brought forward	25,364	(65,057)
Profit for the year	—	21,503
Deficit on revaluation of investment properties	(310,000)	—
Balance carried forward	<u>(284,636)</u>	<u>(43,554)</u>

# Dundonald (Cumbernauld) Limited

## Notes to the financial statements (continued)

Year ended 30 June 2009

### 10. Reconciliation of movements in shareholders' funds

	2009	2008
	£	£
Profit/(Loss) for the financial year	21,503	(53,178)
Deficit on revaluation of investment properties	(310,000)	(110,000)
Net reduction to shareholders' (deficit)/funds	(288,497)	(163,178)
Opening shareholders' (deficit)/funds	(39,692)	123,486
Closing shareholders' deficit	(328,189)	(39,692)

### 11. Notes to the cash flow statement

#### Reconciliation of operating profit to net cash inflow from operating activities

	2009	2008
	£	£
Operating profit	120,313	127,900
Decrease in debtors	217,544	45,150
(Decrease)/increase in creditors	(239,047)	8,028
Net cash inflow from operating activities	98,810	181,078

#### Returns on investments and servicing of finance

	2009	2008
	£	£
Interest received	36	–
Interest paid	(98,846)	(181,078)
Net cash outflow from returns on investments and servicing of finance	(98,810)	(181,078)

The cash flow statement should be read in conjunction with the Note given above

### 12. Capital and other commitments

The Company had no capital or other commitments not provided for at 30 June 2009 (2008 £nil)

### 13. Parent undertaking and controlling party

The Company's parent undertaking and controlling party is Dundonald Property Investments Limited, a company incorporated in England