

REGISTRAR
COMPANIES

Mardan Europe (No. 12) Limited

Report and Financial Statements

Year Ended

30 June 2009

Company number 5991564

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Mardan Europe (No. 12) Limited

**Report and financial statements
for the year ended 30 June 2009**

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Directors

D Tannen
M I Tannen
D A Tannen
J M Miller

Secretary and registered office

J M Miller, Sutherland House, 70-78 West Hendon Broadway, London, NW9 7BT

Company number

5991564

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Mardan Europe (No. 12) Limited

Report of the directors for the year ended 30 June 2009

The directors present their report together with the audited financial statements for the year ended 30 June 2009

Results

The profit and loss account is set out on page 5 and shows a loss for the year

The directors do not recommend the payment of a dividend

Principal activities

The principal activity of the company was property investment in Germany

There have been no events since the balance sheet date which materially affect the position of the company

Directors

The directors of the company who served during the year were

D Tannen
M I Tannen
D A Tannen
J M Miller

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 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, and
- 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.

Mardan Europe (No. 12) Limited

Report of the directors for the year ended 30 June 2009 (Continued)

Disclosure of information to auditors

So far as each director at the date of approval of this report is aware,

- There is no relevant audit information of which the company's auditors are 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 auditors are aware of that information

Auditors

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

In preparing the directors' report advantage has been taken of the small companies exemption under the Companies Act 2006

By order of the board


J M Miller

Secretary

Date **26 MAR 2010**

Mardan Europe (No. 12) Limited

Independent auditor's report

TO THE MEMBERS OF MARDAN EUROPE (NO 12) LIMITED

We have audited the financial statements of Mardan Europe (No 12) Limited for the year ended 30 June 2009 which comprise the profit and loss account, the balance sheet 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).

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 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

As explained more fully in the statement of directors' responsibilities, 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.

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

Qualified opinion arising from disagreement about accounting treatment

As explained in note 1, investment properties have been included in the financial statements at cost less any provision for impairment rather than open market value as required by Statement of Standard Accounting Practice No 19 'Accounting for investment properties'. We are unable to quantify the effect, if any, on reserves and tangible fixed assets of this non-compliance with accounting standards.

Except for the failure to include investment properties at open market value 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 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

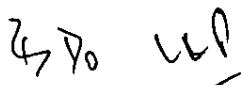
Mardan Europe (No. 12) Limited

Independent auditor's report (*Continued*)

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime



*Richard Levy (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

Date **26 MAR 2010**

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

Mardan Europe (No. 12) Limited

Profit and loss account for the year ended 30 June 2009

	Note	2009 €	2008 €
Net rental income	2	97,982	107,885
-Write off amount due from parent company		47,716	-
-Other administrative expenses		25,385	107,393
Administrative expenses		73,101	107,393
Operating profit	3	24,881	492
Interest payable	4	90,549	38,621
Loss on ordinary activities before and after taxation	5	(65,668)	(38,129)

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

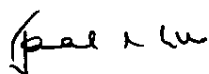
Mardan Europe (No. 12) Limited

Balance sheet at 30 June 2009

<i>Company number: 5991564</i>	Note	2009 €	2009 €	2008 €	2008 €
Fixed assets					
Tangible assets	6		2,460,304		2,342,494
Current assets					
Debtors	7	39,674		1	
Creditors, amounts falling due within one year	8	1,802,888		1,716,587	
Net current liabilities			(1,763,214)		(1,716,586)
Total assets less current liabilities			697,090		625,908
Creditors: amounts falling due after more than one year	9		-		664,036
Net assets/ (liabilities)			697,090		(38,128)
Capital and reserves					
Called up share capital	10		1		1
Profit and loss account	11		697,089		(38,129)
Shareholders' funds/ (deficit)	12		697,090		(38,128)

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board of Directors and authorised for issue on **26 MAR 2010**



Director *J M Miller*

The notes on pages 7 to 11 form part of these financial statements

Mardan Europe (No. 12) Limited

Notes forming part of the financial statements for the year ended 30 June 2009

1 Accounting policies

Basis of preparation

The financial statements have been presented in Euros, the company's local currency. For the purpose of these financial statements all balances are shown at their original Euro value.

The financial statements have been prepared under the historical cost convention, and with the exception of investment properties are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Investment properties

Investment properties are stated in the balance sheet at cost less any provision for impairment. This treatment is not in accordance with Statement of Standard Accounting Practice No. 19 which requires such properties to be stated at their open market value. The directors consider the cost of obtaining a valuation would outweigh the benefit to the users of the financial statements.

No provision has been made for depreciation on these properties. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impractical and, in the opinion of the directors, would be misleading.

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 Net rental income

Net rental income represents gross rental income net of property expenses. Net rental income is wholly attributable to the principal activity of the company and arises solely in Germany.

Mardan Europe (No. 12) Limited

Notes forming part of the financial statements for the year ended 30 June 2009 (Continued)

3 Operating profit

None of the directors received any emoluments from the company. Their emoluments are paid by another group company and are disclosed in the financial statements of that company.

Auditors' remuneration is also paid by another group company and is disclosed in its financial statements.

4 Interest payable

	2009 €	2008 €
Other interest payable	90,549	38,621

5 Taxation

	2009 €	2008 €
<i>Current tax</i>		
Tax on loss on ordinary activities	-	-

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

	2009 €	2008 €
Loss on ordinary activities before tax	(65,668)	(38,129)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008 – 28%)	(18,387)	(10,676)
Effects of		
Group relief	6,438	(13,018)
Timing differences	(1,412)	23,694
Permanent differences	13,360	-
Current tax charge for the year	-	-

At 30 June 2009 the company had a deferred tax asset of €18,221 (2008 - €23,694) arising from deferred loan arrangement fees.

Mardan Europe (No. 12) Limited

Notes forming part of the financial statements
for the year ended 30 June 2009 *(Continued)*

6 Tangible assets

	Freehold investment properties €
<i>Cost</i>	
At 1 July 2008	2,342,494
Additions	117,810
	<hr/>
At 30 June 2009	2,460,304
	<hr/>

The investment property is charged to secure a mortgage loan to a fellow subsidiary

7 Debtors: amounts falling due within one year

	2009 €	2008 €
Other debtors	39,674	1
	<hr/>	<hr/>

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

8 Creditors: amounts falling due within one year

	2009 €	2008 €
Amounts due to fellow subsidiary	1,778,663	1,687,815
Accruals and deferred income	24,225	28,772
	<hr/>	<hr/>
	1,802,888	1,716,587
	<hr/>	<hr/>

9 Creditors: amounts falling due after more than one year

	2009 €	2008 €
Amounts due to ultimate parent undertaking	-	664,036
	<hr/>	<hr/>

Mardan Europe (No. 12) Limited

Notes forming part of the financial statements
for the year ended 30 June 2009 (*Continued*)

10 Share capital

	2009 Number	2008 Number	2009 £	2008 £
<i>Authorised</i>				
Ordinary shares of £1 each	100	100	100	100
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Issued, called up and fully paid</i>				
Ordinary shares of £1 each	1	1	1	1
	<hr/>	<hr/>	<hr/>	<hr/>

11 Profit and loss account

	Profit & loss Reserve	Capital Contribution Reserve
	€	€
At 1 July 2008	(38,129)	-
Loss for the financial year	(65,668)	-
Release of debt by parent company	-	800,886
Transfer to profit & loss reserve	800,886	(800,886)
	<hr/>	<hr/>
At 30 June 2009	697,089	-
	<hr/>	<hr/>

12 Reconciliation of movement in shareholders' funds/ (deficit)

	2009 €	2008 €
Opening shareholders' funds	(38,128)	1
Loss for the financial year	(65,668)	(38,129)
Capital contribution by parent company	800,886	-
	<hr/>	<hr/>
Closing shareholders' funds	697,090	(38,128)
	<hr/>	<hr/>

13 Ultimate parent company and controlling party

The company's ultimate parent company is The Tannen Group Limited which is controlled by the Tannen family. Group accounts can be obtained from the Registrar of Companies.

14 Cash flow statement

The company has taken advantage of the exemption allowed under Financial Reporting Standard 1 "Cash Flow Statements" not to produce a cash flow statement, as it is a wholly owned subsidiary of The Tannen Group Limited. A group cash flow statement is included in the financial statements of that company.

Mardan Europe (No. 12) Limited

**Notes forming part of the financial statements
for the year ended 30 June 2009 *(Continued)***

15 Related party transactions

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, "Related Party Transactions", not to disclose any transactions with entities that are included in the consolidated financial statements of The Tannen Group Limited