

**Registration Number NI 19384**

**Abbey Centre Limited and its subsidiaries**

**Directors' report and financial statements**

**for the year ended 31 July 2013**



Beaux Lane House  
Mercer Street Lower  
Dublin 2  
Ireland

WEDNESDAY



\*J36W1WVT\*

JNI

30/04/2014

#48

COMPANIES HOUSE

## **Abbey Centre Limited and its subsidiaries**

### **Contents**

	<b>Page</b>
Directors and other information	1
Directors' report	2 - 3
Statement of directors' responsibilities	4
Independent auditors' report	5 - 6
Consolidated profit and loss account	7
Consolidated balance sheet	8
Company balance sheet	9
Cash flow statement	10
Notes to the financial statements	11 - 19

## **Abbey Centre Limited and its subsidiaries**

### **Directors and other information**

<b>Directors</b>	I. McCullough S. Hamill P. Buchanan P. Henry
<b>Secretary</b>	S. Hamill
<b>Company number</b>	NI 19384
<b>Registered office</b>	23/25 Queen Street Coleraine BT52 1BG
<b>Auditors</b>	BDO Statutory Auditor Beaux Lane House Mercer Street Lower Dublin 2
<b>Bankers</b>	Ulster Bank Ireland Limited 54 Boucher Road Belfast BT12 6HR
<b>Solicitors</b>	Carson McDowell Murray House Murray Street Belfast BT1 6HS

## **Abbey Centre Limited and its subsidiaries**

### **Directors' Report for the year ended 31 July 2013**

The directors present their report together with the audited financial statements of the group for the year ended 31 July 2013.

#### **Principal activity and review of the business**

The group's principal activity continues to be the holding of property for investment. The group has performed satisfactorily in difficult market conditions. The directors anticipate that the trading conditions will remain difficult throughout the current financial year but believe that the group will continue to perform at a satisfactory level.

#### **Results, dividends and state of affairs**

The profit for the year after providing for taxation amounted to £3,923,397 (2012 : profit £3,386,354). During the year the group paid a dividend of £96,192 (2012 : £96,192).

#### **Post balance sheet events**

There have been no significant events since the year end, which would have an impact on the financial position at 31 July 2013.

#### **Principal risks and uncertainties**

The Directors consider the slowdown in economic activity, the continuing downturn in the property market and continuing availability of bank funding as the principal risk factors facing the group. Directors and management regularly review, reassess and proactively manage the associated risks.

#### **Future developments**

The directors do not anticipate any changes in the nature of the business.

#### **Directors and secretary and their interests**

The directors and secretary who served on the board during the year, none of whom had a beneficial interest in the called up share capital of the company, were as follows:

I. McCullough  
S. Hamill  
P. Buchanan  
P. Henry

There were no changes in shareholdings between 31 July 2013 and the date of signing of the financial statements.

#### **Auditors**

BDO are deemed to be reappointed under section 487 (2) of the Companies Act 2006.

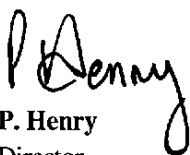
**Abbey Centre Limited and its subsidiaries**

**Directors' Report  
for the year ended 31 July 2013**

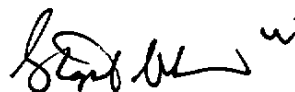
**Registered office**

The Registered office is 23/25 Queen Street, Coleraine, BT52 1BG.

Approved on behalf of the board



**P. Henry**  
Director



**S. Hamill**  
Director

Date: 29 April 2014

## **Abbey Centre Limited and its subsidiaries**

### **Statement of 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. 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). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss for that year. In preparing these financial statements the directors are required to:

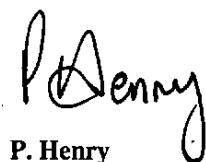
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

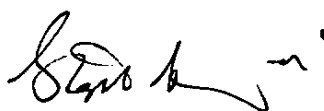
In so far as the directors are aware

- 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.

On behalf of the board



**P. Henry**  
Director



**S. Hamill**  
Director

Date: 29 April 2014

**Independent auditors' report  
to the members of Abbey Centre Limited and its subsidiaries**

We have audited the financial statements of Abbey Centre Limited and its subsidiaries on pages 7 to 19 which comprise the consolidated Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the consolidated Balance Sheet, the company Balance Sheet, consolidated 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).

This report is made solely to the group's members, as a body, in accordance with Section 495 and 496 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 auditors' 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 group and the group'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 on page 4, 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 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.

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 misstatements, 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**

In our opinion, the financial statements:

- give a true and fair view of the state of affairs of the group and parent company's affairs at 31 July 2013, and of the results of the year then ended;
- and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

**Other Offices:**Four Michael Street  
LimerickKatharine Byrne  
Maurice Carr  
Michael Costello  
Kevin Doyle  
John Gilmor GavinJim Hamilton  
Sinead Heaney  
Diarmuid Hendrick  
Liam Hession  
Gerard HoltidayKen Kilmartin  
Teresa Morahan  
Paul Nestor  
John O'Callaghan  
Con Quigley

Page 5

Derry Gray (Managing Partner)  
Peter Carroll  
Eddie Doyle  
Stewart Dunne  
Ivor Feerick  
Alan Flynn  
Brian Gartlan  
David Giles  
Denis HerlihyDavid McCormick  
Brian McEnery  
Evin McLoughlin  
Clarán Medlar  
David O'Connor  
Michelle O'Keefe  
Peter O'Neill  
Patrick Sheehan  
Noel Taylor

Chartered Accountants



**Independent auditors' report to the members of Abbey Centre Limited and its subsidiaries  
(continued)**

**Emphasis of matter**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the Group's ability to continue as a going concern, continuing bank support and the carrying value of fixed assets. Note 1 to the financial statements indicates the existence of uncertainties which may cast doubt about the Group's ability to continue as a going concern, continuing bank support and the carrying value of the Group's fixed assets. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern and our opinion is not qualified with respect to this matter.

**Opinion on 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.

**Michael Costello (Senior Statutory Auditor)**  
For and on behalf of BDO  
Statutory Auditor  
Dublin, Ireland.

**29 April 2014**



**Abbey Centre Limited and its subsidiaries**

**Consolidated Profit and Loss Account  
for the year ended 31 July 2013**

	Notes	2013 £	2012 £
Rental and other income		17,131,961	17,919,503
Operating expenses		(1,991,003)	(2,156,817)
<b>Operating profit</b>	<b>3</b>	<b>15,140,958</b>	<b>15,762,686</b>
Interest payable and similar charges	<b>4</b>	<b>(10,413,006)</b>	<b>(11,749,665)</b>
Interest receivable and similar income	<b>5</b>	<b>16,358</b>	<b>11,567</b>
<b>Profit on ordinary activities before taxation</b>		<b>4,744,310</b>	<b>4,024,588</b>
Tax on profit on ordinary activities	<b>6</b>	<b>(820,913)</b>	<b>(638,234)</b>
<b>Profit for the financial year</b>		<b>3,923,397</b>	<b>3,386,354</b>

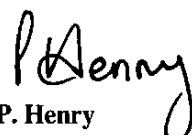
**Statement of total recognised gains and losses**

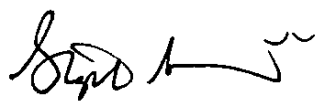
	2013 £	2012 £
<b>Profit for the financial year</b>	<b>3,923,397</b>	<b>3,386,354</b>
Movement on revaluation of investment property	-	(42,284)
Currency translation differences on foreign currency net investment	(3,225,840)	3,384,102
<b>Total recognised gains relating to the year</b>	<b>697,557</b>	<b>6,728,172</b>

All income is derived from continuing operations.

The notes on pages 11 - 19 form part of these financial statements.

Authorised and approved for issue by the board on 29 April 2014.

  
**P. Henry**  
Director

  
**S. Hamill**  
Director

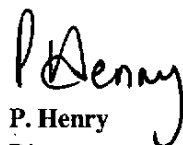
**Abbey Centre Limited and its subsidiaries**


**Consolidated Balance Sheet as at 31 July 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	8	225,228,974	220,944,007
<b>Current assets</b>			
Stocks	11	174,700	156,790
Debtors	12	2,968,860	3,373,143
Cash at bank and in hand		4,917,041	3,068,590
		<u>8,060,601</u>	<u>6,598,523</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(260,951,896)</u>	<u>(255,806,216)</u>
<b>Net current liabilities</b>		<u>(252,891,295)</u>	<u>(249,207,693)</u>
<b>Total assets less current liabilities</b>		<u>(27,662,321)</u>	<u>(28,263,686)</u>
<b>Capital and reserves</b>			
Called up share capital	15	7,200	7,200
Revaluation reserve	16	25,246,805	25,246,805
Profit and loss account	16	<u>(52,916,326)</u>	<u>(53,517,691)</u>
<b>Shareholders' deficit</b>	16	<u>(27,662,321)</u>	<u>(28,263,686)</u>

The notes on pages 11 - 19 form part of these financial statements.

Authorised and approved for issue by the board on 29 April 2014.

  
P. Henry  
Director

  
S. Hamill  
Director


**Abbey Centre Limited and its subsidiaries**


**Company Balance Sheet as at 31 July 2013**

	Notes	2013 £	2012 £
<b>Fixed assets</b>			
Tangible assets	9	78,310,000	78,310,000
Investments	10	54	54
		<u>78,310,054</u>	<u>78,310,054</u>
<b>Current assets</b>			
Debtors	12	848,924	943,330
Cash at bank and in hand		14,199	5
		<u>863,123</u>	<u>943,335</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(43,196,276)</u>	<u>(42,686,626)</u>
<b>Net current liabilities</b>		<u>(42,333,153)</u>	<u>(41,743,291)</u>
<b>Total assets less current liabilities</b>		<u>35,976,901</u>	<u>36,566,763</u>
<b>Capital and reserves</b>			
Called up share capital	15	7,200	7,200
Revaluation reserve	17	25,246,805	25,246,805
Profit and loss account	17	10,722,896	11,312,758
<b>Shareholders' funds</b>	17	<u>35,976,901</u>	<u>36,566,763</u>

The notes on pages 11 - 19 form part of these financial statements.

Authorised and approved for issue by the board on 29 April 2014

  
P. Henry  
Director

  
S. Hamill  
Director

**Abbey Centre Limited and its subsidiaries**

**Cash Flow Statement for the year ended 31 July 2013**

	Notes	2013 £	2012 £
<b>Net cash inflow from operating activities</b>	<b>21</b>	<b>15,640,420</b>	<b>14,423,464</b>
<b>Returns on investments and servicing of finance</b>			
Interest paid		(10,413,006)	(11,749,665)
Interest received		16,358	11,567
<b>Taxation</b>			
Corporation tax paid		(664,051)	(618,875)
<b>Capital expenditure</b>			
Purchase of tangible assets		-	16,510
<b>Dividends paid</b>		(96,192)	(96,192)
Loans repaid during the year		(2,000,000)	(1,750,000)
<b>Increase in cash</b>	<b>23</b>	<b><u>2,483,529</u></b>	<b><u>203,789</u></b>

## **Abbey Centre Limited and its subsidiaries**

### **Notes to the Financial Statements for the year ended 31 July 2013**

#### **1. Accounting policies**

##### **1.1. Basis of preparation**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with applicable UK accounting standards and with the Companies Act 2006.

At 31 July 2013 the Group had net liabilities of £27,662,321 (31 July 2012 : net liabilities of £28,263,686). The ability of the Group to continue to trade is dependent upon the continuing support of the Group's bankers, Ulster Bank. The Group's banking facilities expired on 30 August 2013. The Group is also in breach of its banking covenants and as set out in note 14, the borrowings could be recalled by the bank. The directors are in advanced discussions with the bank to agree a restructuring of the business and the debt in a strategy which would entail asset realisation. The directors are of the opinion that the Group will continue to trade profitably. The cash flow forecasts as disclosed to the bank demonstrate sufficient cash flows to meet liabilities as they fall due.

At 31 July 2013 the group had fixed assets with a carrying value of £225,228,974 after adjusting for currency translation of £4,284,967 (31 July 2012 : £220,944,007). The directors have reviewed the carrying value of the properties in detail and are of the opinion that no adjustment to the carrying value is to be made.

On the basis of the above, the directors consider it appropriate to prepare the financial statements on a going concern basis and the financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern, if the Group's bankers did not continue their support or if there was a diminution in the value of fixed assets.

##### **1.2. Consolidated accounts**

The group financial statements consolidate the financial statements of the company and all of its subsidiary undertakings made up to 31 July 2013.

The results of the subsidiary undertaking acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Upon the acquisition of a business, fair values are attributable to the identifiable net assets acquired. The group's accounting policy in relation to goodwill is set out below.

##### **1.3. Investment in subsidiaries**

Investment in subsidiaries is shown at fair value less any provisions for permanent diminutions in value.

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

**1.4. Investment property**

This is stated at its open market value at the year end as valued by the directors.

Revaluation gains are recognised in the profit and loss account (after adjustment for subsequent depreciation) to the extent that they reverse revaluation losses on the same assets that were previously recognised in the profit and loss account. All other revaluation gains are recognised in the statement of total recognised gains and losses. Revaluation losses caused by a clear consumption of economic benefits are recognised in the profit and loss account. Other revaluation losses are recognised in the statement of total recognised gains and losses until the carrying amount reaches its depreciated historical cost. Beyond this the loss is recognised in the profit and loss account, except where the recoverable amount of the asset is greater than its revalued amount. Then the loss is recognised in the statement of total recognised gains and losses to the extent that the recoverable amount is greater than its revalued amount.

In accordance with SSAP 19, depreciation is not provided on this asset. This treatment is a departure from the requirement under Company Law to provide depreciation on all fixed assets, which have a limited useful economic life. The accounting policy adopted is necessary for the financial statements to give a true and fair view.

**1.5. Foreign currencies**

Transactions during the year are translated at the rate of exchange ruling at the date of the transaction or at a contracted rate where applicable. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date or at forward contract rates where applicable and differences arising are dealt with in the profit and loss account.

**1.6. Stock**

Stock which comprises land and related development expenditure, is valued at the lower of cost and net realisable value.

**1.7. Taxation**

Current tax is provided on the company's taxable profits, at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised on all timing differences where the transaction or event that gives rise to an obligation to pay more tax in the future or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred taxation is measured using rates of tax that have been enacted by the balance sheet date. Deferred taxation is not provided in respect of timing differences arising from the sale or revaluation of fixed assets unless, by the balance sheet date, a binding commitment to sell the asset has been entered into.

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

**2. Turnover**

Turnover represents the total invoice value of rental and other property income made during the year excluding VAT. Turnover derives from the continuing operations of the company.

<b>3. Operating profit</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
The operating profit is stated after charging:		
Auditors' remuneration	<b>35,000</b>	<b>35,000</b>

<b>4. Interest payable and similar charges</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Bank interest and charges	<b>4,104</b>	10,540
Interest on loans	<b>10,408,902</b>	11,739,125
	<b>10,413,006</b>	<b>11,749,665</b>

<b>5. Interest receivable and similar income</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Bank interest	<b>16,358</b>	11,526
Other interest	-	41
	<b>16,358</b>	<b>11,567</b>

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

**6. Tax on profit on ordinary activities**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Corporation tax	802,566	638,234
Prior year tax	18,347	-
	<u>820,913</u>	<u>638,234</u>

The reconciliation of current tax on results on ordinary activities at the standard rate of corporation tax to the company's actual tax charge is analysed as follows:

Profit on ordinary activities before taxation	<u>4,744,310</u>	<u>4,024,588</u>
Profit on ordinary activities at the standard rate of corporation tax	1,122,978	1,019,428
<b>Effects of:</b>		
Items not allowable for tax purposes	<u>(320,412)</u>	<u>(381,194)</u>
	<u>802,566</u>	<u>638,234</u>

**7. Profit for the financial year**

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The group profit for the year includes a loss after tax of £493,670 (2012 - profit £98,686) which is dealt with in the financial statements of the parent company.

**8. Tangible assets - investment property - group**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At beginning of year - at valuation	220,944,007	225,342,042
Additions - at cost	-	62,587
Disposal	-	(46,077)
Movement on revaluation	-	(62,587)
Foreign currency translation adjustment	4,284,967	(4,351,958)
At end of year - at valuation	<u>225,228,974</u>	<u>220,944,007</u>



**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

<b>9. Tangible assets - investment property - company</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At beginning of year - at valuation	<b>78,310,000</b>	78,310,000
Additions - at cost	-	43,484
Movement on revaluation	-	(43,484)
At end of year - at valuation	<b><u>78,310,000</u></b>	<b><u>78,310,000</u></b>

<b>10. Investments - subsidiary companies - company</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
At beginning and end of year	<b><u>54</u></b>	<b><u>54</u></b>

Details of subsidiaries at the year end are as follows:

	<b>Country of Incorporation</b>	<b>Principal Activity</b>	<b>% Holding</b>
Gavlin Limited	Northern Ireland	Property investment	100%
Mearns Cross Shopping Centre Limited	Scotland	Property investment	100%
Blanca Developments Limited	Northern Ireland	Property investment	100%
Ferna Developments Limited	Northern Ireland	Investment holding	100%
Calderford Limited *	Republic of Ireland	Investment holding	100%
Marshes Shopping Centre Limited *	Republic of Ireland	Property investment	100%

\* Held indirectly through Ferna Developments Limited

<b>11. Stocks - group</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Development property	<b><u>174,700</u></b>	<b><u>156,790</u></b>

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

12. Debtors: amounts falling due within one year	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade and other debtors	1,909,010	2,304,201	478,452	349,964
Other debtors	416,438	485,353	106,848	148,515
Prepayments	600,979	469,063	221,191	218,141
Corporation tax recoverable	-	93,334	-	-
VAT recoverable	42,433	21,192	42,433	21,192
Amounts due from related companies (note 20)	-	-	-	205,518
	<u>2,968,860</u>	<u>3,373,143</u>	<u>848,924</u>	<u>943,330</u>

13. Creditors: amounts falling due within one year	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Trade and other creditors	3,636,719	3,832,122	2,251,506	1,007,036
Bank loan (secured)	255,804,750	249,879,575	40,000,000	40,000,000
Bank overdraft (secured)	-	1,031,536	-	1,009,082
Amounts due to related companies (note 20)	341,947	-	341,947	-
VAT payable	703,741	661,772	300,982	269,299
Corporation tax payable	464,739	401,211	301,841	401,209
	<u>260,951,896</u>	<u>255,806,216</u>	<u>43,196,276</u>	<u>42,686,626</u>

**14. Bank security**

Bank loans totalling £255,804,750 are secured by the following:

- a first fixed charge over the properties held by the Group.
- an omnibus guarantee and set-off agreement between Abbey Centre Limited, Mearns Cross Shopping Centre Limited, Gavlin Limited, Marshes Shopping Centre Limited, Ferna Developments Limited and Calderford Limited.
- all rental income to be mandated in favour of the Bank.

The loan to value ratio is below the level specified in the loan agreement. This is in breach of the loan covenant and therefore the bank has the right to call in the loan in full at any time. As the directors are in negotiations with the bank at the date of signing these financial statements they believe that the bank will not enforce this.

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

<b>15. Called up share capital - group and company</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000,000 Ordinary shares of £1 each	<u><b>1,000,000</b></u>	<u><b>1,000,000</b></u>
<b>Allotted, called up and fully paid</b>		
7,200 Ordinary shares of £1 each	<u><b>7,200</b></u>	<u><b>7,200</b></u>

**16. Reconciliation of movements in shareholders' funds and reserves - group**

	<b>Called up share capital £</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance, beginning of year	7,200	25,246,805	(53,517,691)	(28,263,686)
Profit for the year	-	-	3,923,397	3,923,397
Dividends	-	-	(96,192)	(96,192)
Foreign currency translation adjustment	-	-	(3,225,840)	(3,225,840)
Balance, end of year	<u><b>7,200</b></u>	<u><b>25,246,805</b></u>	<u><b>(52,916,326)</b></u>	<u><b>(27,662,321)</b></u>

**17. Reconciliation of movements in shareholders' funds - company**

	<b>Called up share capital £</b>	<b>Revaluation reserve £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Balance, beginning of year	7,200	25,246,805	11,312,758	36,566,763
Loss for the year	-	-	(493,670)	(493,670)
Dividends	-	-	(96,192)	(96,192)
Balance end of year	<u><b>7,200</b></u>	<u><b>25,246,805</b></u>	<u><b>10,722,896</b></u>	<u><b>35,976,901</b></u>

**18. Contingent liabilities**

The group had no contingent liabilities at the year end.

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

**19. Post balance sheet events**

There have been no significant events since the year end, which would have an impact on the financial position at 31 July 2013.

**20. Related party transactions**

The company is availing of the exemption under FRS 8 " Related party transactions" to disclose transactions with other members of the group as consolidated financial statements are publicly available.

The movement on related party loans to companies outside the Group and the balance outstanding at the beginning and end of the year is as follows:

	As at 31 July 2012	Movement	As at 31 July 2013
	£	£	£
<b>Due to related parties</b>			
McLaughlin & Harvey Limited	-	171,947	171,947
Milestone Trust Limited	-	170,000	170,000
	<u>-</u>	<u>341,947</u>	<u>341,947</u>
	<u>-</u>	<u>341,947</u>	<u>341,947</u>

The above companies are related by common directors and shareholders.

**21. Reconciliation of operating profit to net cash inflow from operating activities**

	2013	2012
	£	£
Operating profit	15,140,958	15,762,686
Other movements	-	20,303
Decrease in debtors	310,949	597,322
Increase/(decrease) in creditors	188,513	(1,956,847)
	<u>15,640,420</u>	<u>14,423,464</u>

**Abbey Centre Limited and its subsidiaries**

**Notes to the Financial Statements  
for the year ended 31 July 2013**

**22. Analysis of changes in net funds**

	<b>Opening balance £</b>	<b>Cash flows £</b>	<b>Closing balance £</b>
Cash at bank and in hand	3,068,590	1,848,451	4,917,041
Bank overdrafts	(1,031,536)	1,031,536	-
Bank loans	(249,879,575)	(5,925,175)	(255,804,750)
	<u>(247,842,521)</u>	<u>(3,045,188)</u>	<u>(250,887,709)</u>

**23. Reconciliation of net cash flow to movement in net debt**

	<b>2013 £</b>	<b>2012 £</b>
Increase in cash in the year	2,483,529	203,789
Cash outflow from financing	2,000,000	1,750,000
Other movement	(7,528,717)	7,754,250
	<u>(3,045,188)</u>	<u>9,708,039</u>
Net debt at beginning of year	<u>(247,842,521)</u>	<u>(257,550,560)</u>
Net debt at end of year	<u>(250,887,709)</u>	<u>(247,842,521)</u>

**24. Comparative amounts**

Comparative amounts have been regrouped, where necessary, on the same basis as those for the current year.

**25. Approval of financial statements**

The financial statements were authorised for issue and approved by the board on 29 April 2014.