

Registered number: OC328330

AAIM TURBO LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011

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AAIM TURBO LLP

INFORMATION

Designated Members

Uberor Ventures Limited (resigned 14 June 2010)
M L Tagliaferri
S LeGassick
J Elton
DPK Property Holdings Limited (appointed 14 June 2010)

LLP registered number

OC328330

Registered office

Leytonstone House
3 Hanbury Drive
Leytonstone
London
E11 1GA

Auditor

Barnes Roffe LLP
Chartered Accountants
Statutory Auditor
Leytonstone House
3 Hanbury Drive
Leytonstone
London
E11 1GA

AAIM TURBO LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MAY 2011

The members present their annual report together with the audited financial statements of AAIM Turbo LLP (the LLP) for the year ended 31 May 2011

MEMBERS' RESPONSIBILITIES STATEMENT

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members 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, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the entity's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the LLP during the year under review was that of holding investments.

DESIGNATED MEMBERS

M L Tagliaferri, S LeGassick and J Elton were designated members of the LLP throughout the period. On 14 June 2010 Uberior Ventures Limited resigned as a designated member and DPK Property Holdings Limited were appointed on the same day.

MEMBERS' CAPITAL AND INTERESTS

Each member's subscription to the capital of the LLP is determined by the LLP agreement. The members have contributed £100 of capital and £25,223,249 by way of loan notes. Interest has been charged on the loan notes at 7% per annum.

Details of changes in members' capital in the year ended 31 May 2011 are set out in the financial statements.

The profits of the LLP are allocated and divided between the members after finalisation of the financial statements. No member may withdraw funds from the LLP without the prior written consent of the majority member or until an exit is achieved.

AAIM TURBO LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MAY 2011**

PROVISION OF INFORMATION TO AUDITOR

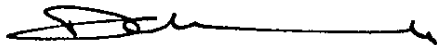
Each of the persons who are members at the time when this Members' Report is approved has confirmed that

- i) so far as that member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- ii) that member has taken all steps that ought to have been taken as a member in order to be aware of any information needed by the LLP's auditor in connection with preparing their report and to establish that the LLP's auditor is aware of that information

AUDITOR

The auditor, Barnes Roffe LLP, has indicated their willingness to continue in office. The designated members will propose a motion re-appointing the auditor at a meeting of the members.

This report was approved by the members on 28 FEBRUARY 2012 and signed on their behalf, by



**D Maxwell on behalf of
DPK Property Holdings Limited
Designated member**

AAIM TURBO LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAIM TURBO LLP

We have audited the financial statements of AAIM Turbo LLP for the year ended 31 May 2011, set out on pages 6 to 12. 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 LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITOR

As explained more fully in the members' responsibilities statement, the members 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the members' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the LLP's affairs as at 31 May 2011 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

AAIM TURBO LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AAIM TURBO LLP

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, as applied to limited liability partnerships, 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
- we have not received all the information and explanations we require for our audit

Mark Ibbotson

Mark Ibbotson (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants
Statutory Auditor
Leytonstone House
3 Hanbury Drive
Leytonstone
London
E11 1GA

Date 28 FEBRUARY 2012

AAIM TURBO LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MAY 2011**

	2011 £	2010 £
Administrative expenses	<u>-</u>	<u>19,975</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES	<u>-</u>	<u>19,975</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES	-	19,975
Members' remuneration charged as an expense	<u>(2,233,515)</u>	<u>(2,083,779)</u>
LOSS FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	<u>(2,233,515)</u>	<u>(2,063,804)</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

The notes on pages 8 to 12 form part of these financial statements

AAIM TURBO LLP
REGISTERED NUMBER OC328330

BALANCE SHEET
AS AT 31 MAY 2011

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Investments	4		-		-
CREDITORS: amounts falling due within one year	5		(101)		(101)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(101)</u>		<u>(101)</u>
REPRESENTED BY.					
Loans and other debts due to members greater than one year					
Members' capital classified as a liability under FRS 25		100		100	
Other amounts		<u>2,233,314</u>		<u>2,063,603</u>	
	6		2,233,414		2,063,703
Equity					
Other reserves			<u>(2,233,515)</u>		<u>(2,063,804)</u>
			<u>(101)</u>		<u>(101)</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	7		2,233,414		2,063,703
Members' other interests			<u>(2,233,515)</u>		<u>(2,063,804)</u>
	7		<u>(101)</u>		<u>(101)</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf by



D Maxwell on behalf of
DPK Property Holdings Limited
Designated member

Date 08 FEBRUARY 2012

The notes on pages 8 to 12 form part of these financial statements

AAIM TURBO LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships"

The LLP has not prepared group accounts on the basis that it does not exert control or dominant influence over PPH0 Limited, a company in which the LLP has a 49% holding. These accounts therefore present information about the LLP as an individual undertaking.

In determining the basis of preparation of the financial statements, the members have considered whether the LLP can continue in operational existence for the foreseeable future.

The LLP has provided against its investment of £24,970,877 due to a deficit on the consolidated balance sheet of PPH0 Limited of £7.5 million. In the previous year the PPH0 Limited group was in breach of loan covenants but as a result of a restructuring and the repayment of debt the bank has agreed to waive the breaches.

As a consequence the members are of the opinion that PPH0 Limited has adequate financial resources to continue in operational existence. Accordingly the members of AAIM Turbo LLP continue to adopt the going concern basis.

1.2 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.3 Loan notes

Loan notes issued to members are shown as debt, interest is accrued at 7% per annum and calculated every three months and added to the principal loan note outstanding in accordance with the loan note deed.

1.4 Capital contributions

Capital contributions by the members are repayable on the member leaving the LLP and as such fall to be treated as debt rather than equity.

1.5 Cash flow

No cash flow information has been produced because the LLP does not hold a bank account and all movements during the current and prior year relate to non-cash movements.

AAIM TURBO LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2011**

2. OPERATING PROFIT

There were no employees of the LLP during the year other than the members (2010 - £Nil)

Auditor's remuneration for the year ended 31 May 2011 has been agreed at £2,500. The auditor's remuneration will be settled by a member of the LLP and therefore has not been accrued into these financial statements.

3. INFORMATION IN RELATION TO MEMBERS

	2011	2010
The average number of members during the year was	4	4
	<u>£</u>	<u>£</u>
The amount of loss attributable to the member with the largest entitlement was	(1,518,790)	(1,416,970)

Interest on loan notes granted to the members is treated as members' remuneration and treated as an expense.

AAIM TURBO LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

4. INVESTMENTS

	Investments in associates £
Cost	
At 1 June 2010 and 31 May 2011	<u>24,970,877</u>
Impairment	
At 1 June 2010 and 31 May 2011	<u>24,970,877</u>
Net book value	
At 31 May 2011	<u>-</u>
At 31 May 2010	<u>-</u>

Participating interests

AAIM Turbo LLP controls 245 'B' ordinary shares in PPH0 Limited under a joint venture agreement with Pendragon Group Services Limited. This investment amounts to a 49% holding of the issued share capital of PPH0 Limited. Share warrants issued by PPH0 Limited during the year reduces the beneficial shareholding to 29.4%.

PPH0 Limited controls 100% of the issued ordinary share capital of PPH1 Limited which in turn controls 100% of the issued ordinary share capital of PPH2 Limited. PPH0 Limited, PPH1 Limited and PPH2 Limited are property investment companies.

PPH1 Limited and PPH2 Limited are companies incorporated under the laws of Jersey.

The aggregate of the share capital and reserves and profit or loss of PPH0 Limited and its subsidiaries based on accounts for the year ended 31 December 2010 were as follows:

	Net assets £'000	Profit £'000
PPH0 Limited	-	-
PPH1 Limited	(7,549)	(385)
PPH2 Limited	-	-
	<u>(7,549)</u>	<u>(385)</u>

5. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Accruals and deferred income	<u>101</u>	<u>101</u>

AAIM TURBO LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

6. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2011 £	2010 £
Member capital treated as debt	100	100
Amounts due to members	2,233,314	2,063,603
	<u>2,233,414</u>	<u>2,063,703</u>

The loan notes issued to members are unsecured with interest accruing at 7% per annum. The loan notes are expected to mature in 2032.

7. RECONCILIATION OF MEMBERS' INTERESTS

	Other reserves £	Loans and debts due to members £	Total £
Members' interests balance at 1 June 2009	(1,937,716)	1,917,640	(20,076)
Loss for the prior year available for discretionary division among members	(2,063,804)	-	(2,063,804)
Members' interests after loss for the year	<u>(4,001,520)</u>	<u>1,917,640</u>	<u>(2,083,880)</u>
Allocated profit for period	1,937,716	(1,937,716)	-
Interest on loan notes	-	2,083,779	2,083,779
Members' interests at 31 May 2010	<u>(2,063,804)</u>	<u>2,063,703</u>	<u>(101)</u>
Loss for the year available for discretionary division among members	(2,233,515)	-	(2,233,515)
Members' interests after loss for the year	<u>(4,297,319)</u>	<u>2,063,703</u>	<u>(2,233,616)</u>
Allocated loss for the year	2,063,804	(2,063,804)	-
Interest on loan notes	-	2,233,515	2,233,515
Members' interests at 31 May 2011	<u>(2,233,515)</u>	<u>2,233,414</u>	<u>(101)</u>

In the event of a winding up of the LLP, members' interests will rank behind secured and ordinary creditors.

AAIM TURBO LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2011

8 CONTINGENT LIABILITIES

The purchase of the shares in PPH0 Limited contained an element of deferred consideration. The deferred consideration is due on an exit event, being a sale of shares or distribution of funds by PPH0 Limited.

Under the share purchase agreement the deferred consideration is calculated as 25% of the exit event value less a target return, the target return being a function of the exit event value.

It is not possible to calculate the exit event value or the target return and therefore no provision for the deferred consideration can be made.

The vendor of the shares, NatWest Property Investments Limited, has a charge over the present and future assets of the LLP in relation to the deferred consideration.

9. RELATED PARTY TRANSACTIONS

AAIM Turbo LLP issued loan notes of £25,223,249 to its members during the year ended 31 May 2008. The loan notes carry interest at 7% per annum and are unsecured. Interest of £2,233,515 (2010 - £2,083,779) was charged on the loan notes during the year.

At the balance sheet date the loan notes due to the members were as follows:

	2011 £	2010 £
R D Whitton	162,514	151,619
M L Tagliaferri	162,514	151,619
S LeGassick	162,514	151,619
DPK Property Holdings Limited	32,827,934	30,627,105

Included within debtors are amounts due from AAIM Limited of £245,408, a company in which the members had a material interest. AAIM Limited was placed into administration on 4 December 2008 and therefore full provision has been made against this debt.

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At the balance sheet date AAIM Turbo LLP considers DPK Property Holdings Limited to be its parent entity and D Maxwell to be its ultimate controlling party.