

Bell Projects Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2010

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COMPANIES HOUSE

Company Registration No 00404151

Bell Projects Limited

COMPANY INFORMATION

DIRECTORS	S Stefanou I Carr
SECRETARY	S G Harvey
COMPANY NUMBER	00404151
REGISTERED OFFICE	John Doyle House Little Burrow Welwyn Garden City Herts AL7 4SP
AUDITOR	Baker Tilly UK Audit LLP 1st Floor 46 Clarendon Road Watford Hertfordshire WD17 1JJ

Bell Projects Limited

DIRECTORS' REPORT

For the year ended 31 December 2010

The directors present their report and financial statements for the year ended 31 December 2010

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of building contractors

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Bell Projects Limited has not commenced any new works in the year ended 31 December 2010. Given that the trade of Bell Projects Limited is not considered to be core to the group, attention has been focused upon completion of all existing projects.

FINANCIAL INSTRUMENTS

The Group, of which the company is a member, has a loan and overdraft facility with Bank of Scotland plc. A mortgage debenture exists giving the bank a fixed and floating charge over the assets of the Group as security for the overdraft and loan facilities provided to the Group. These facilities are reviewed annually alongside the business plans and budgets for the forthcoming year.

The group enters into interest rate swap and cap and collar arrangements.

The company does not enter into any other financial instruments bar normal short-term creditors and debtors on normal commercial terms.

ENVIRONMENT

The company complies with relevant environmental legislation, industry codes of practice, the John Doyle Group Environmental Policy and any other applicable requirements. Construction methods are selected which minimise the use of natural resources associated with the use of energy and materials. Where appropriate, we will investigate and promote the use of by-products, recyclable and sustainable materials. We seek to minimise waste production and avoid contamination from any waste produced by ensuring that disposal is safely handled by licensed operators.

PRINCIPAL RISKS

Senior management closely monitor the cash position on a daily basis and use this information to direct creditor payment policy in response to the liquidity and cashflow risks affecting the business.

KEY PERFORMANCE INDICATORS

The company undertakes a budgeting process and monitors its results against this budget.

RESULTS AND DIVIDENDS

The results for the year are set out on page 5.

The directors do not recommend payment of an ordinary dividend (2009: £Nil).

DIRECTORS

The following directors have held office since 1 January 2010:

S Stefanou

I Carr

Bell Projects Limited

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 December 2010

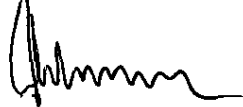
AUDITOR

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is 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.

On behalf of the board



I Carr

DIRECTOR

8 September 2011

Bell Projects Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- d 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BELL PROJECTS LIMITED

We have audited the financial statements set out on pages 5 to 16 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 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 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 AUDITOR

As more fully explained in the Directors' Responsibilities Statement set out on page 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 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 (APB's) Ethical Standards for Auditors

SCOPE OF THE AUDIT

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and 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

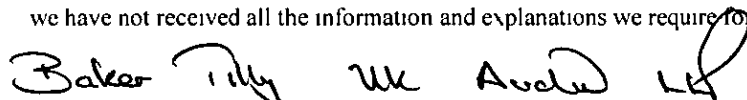
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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



ANDREW MONTEITH (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF BAKER TILLY UK AUDIT LLP, STATUTORY AUDITOR

Chartered Accountants

1st Floor

46 Clarendon Road

Watford

Hertfordshire

WD17 1JJ

9 September 2011

Bell Projects Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2010

	Notes	2010 £	2009 £
TURNOVER	1	1,317,021	12,392,991
Cost of sales		(1,430,916)	(14,083,213)
GROSS LOSS		(113,895)	(1,690,222)
Other operating expenses	2	(143,285)	(1,003,057)
OPERATING LOSS		(257,180)	(2,693,279)
Investment income	3	7	-
Interest payable and similar charges	4	(332,858)	(89,683)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(590,031)	(2,782,962)
Taxation	7	(270,287)	562,351
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	16	(860,318)	(2,220,611)

The result for the year arises from the company's continuing operations

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account

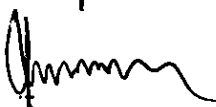
Bell Projects Limited

BALANCE SHEET

As at 31 December 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	8	78,494	85,826
CURRENT ASSETS			
Stocks	9	1,329,963	2,214,720
Debtors	10	4,066,769	4,018,713
		<u>5,396,732</u>	<u>6,233,433</u>
CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	11	(11,556,800)	(11,252,535)
NET CURRENT LIABILITIES		<u>(6,160,068)</u>	<u>(5,019,102)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(6,081,574)</u>	<u>(4,933,276)</u>
CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	12	-	(287,980)
NET LIABILITIES		<u>(6,081,574)</u>	<u>(5,221,256)</u>
CAPITAL AND RESERVES			
Called up share capital	15	1,512,000	1,512,000
Profit and loss account	16	(7,593,574)	(6,733,256)
SHAREHOLDERS' DEFICIT	17	<u>(6,081,574)</u>	<u>(5,221,256)</u>

The financial statements on pages 5 to 16 were approved by the board of directors and authorised for issue on 8th Sep 2011 and are signed on its behalf by



I Carr
DIRECTOR

Bell Projects Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards

GOING CONCERN

The directors consider it appropriate to prepare the accounts on the going concern basis which assumes that the company will continue in existence and the ultimate parent company will continue to support Bell Projects Limited for the foreseeable future

The accounts have been prepared on the going concern basis notwithstanding the net liabilities of £6,081,574 (31 December 2009 £5,221,256) as the directors believe that the company will continue to have access to adequate funding from the ultimate parent company Doyle plc to enable it to continue to operate as a going concern, and have received assurances to this effect. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The financial statements do not include any adjustments that would result from this basis of preparation being inappropriate.

CASHFLOW EXEMPTION

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group and it is included within consolidated accounts that are publicly available.

TURNOVER

Turnover on long term contracts is recognised on a basis that is appropriate to the stage of completion and when the outcome of the contract can be assessed with reasonable certainty.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% on reducing balance
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LEASING

The annual rentals on 'operating lease' are charged to profit and loss on a straight line basis over the lease term.

STOCK AND WORK IN PROGRESS

Work in progress is valued at the lower of cost and net realisable value. Cost for this purpose comprises the cost to the company of acquiring land, construction, other development costs and interest costs which can be directly attributable to the contract.

LONG TERM CONTRACTS

Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract and measured by reference to value of work done in comparison to total contract value. Credit is taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors, to the extent that payments on account exceed relevant turnover and long term contract balances, the excess is included as a creditor. Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense as soon as it is foreseen.

Bell Projects Limited

ACCOUNTING POLICIES (CONTINUED)

RETIREMENT BENEFITS

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs represents the contributions payable by the company during the year

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are provided to the extent that, in the opinion of the directors, there is a reasonable probability that the asset will crystallise in the foreseeable future.

BASIS OF ACCOUNTING FOR PROFIT ON DEVELOPMENT

Profit is taken on the sale of residential and commercial units upon final completion of the sales contract. At this time the costs charged against the sales comprise the attributable proportion of expenditure on land acquisitions, construction and other development costs.

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2010

1 TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

2 OTHER OPERATING EXPENSES

2010	2009
£	£

Administrative expenses

143,285	1,003,057
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3 INVESTMENT INCOME

2010	2009
£	£

Bank interest

7	-
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4 INTEREST PAYABLE AND SIMILAR CHARGES

2010	2009
£	£

On bank loans and overdrafts

332,858	89,683
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5 LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

2010	2009
£	£

Loss is stated after charging

Depreciation of tangible assets

7,332	9,294
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Operating lease rentals

- Plant and machinery

11,725	-
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- Other assets

-	47,172
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Auditor's remuneration

6,200	6,200
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Remuneration of auditor for non-audit work - taxation

2,000	2,000
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Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

6 EMPLOYEES

NUMBER OF EMPLOYEES

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Administration	1	-
Supervisor	4	6
Site workers	-	10
Directors	-	2
	<u>5</u>	<u>18</u>

EMPLOYMENT COSTS

	2010 £	2009 £
Wages and salaries	280,909	857,582
Social security costs	28,856	78,138
Other pension costs	11,780	19,360
	<u>321,545</u>	<u>955,080</u>

None of the directors were remunerated by this company (2009 £nil) The directors received no contributions towards money purchase schemes from this company (2009 £nil)

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

7 TAXATION	2010 £	2009 £
UK Corporation tax		
Current tax on loss of the period	-	-
Receipt in respect of group relief	(165,200)	(481,546)
CURRENT TAX CHARGE	(165,200)	(481,546)
DEFERRED TAX		
Deferred tax credit current year	435,487	(80,805)
Tax on loss on ordinary activities	270,287	(562,351)
FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
The tax assessed for the year is higher than the standard rate of corporation tax (28.00%) as explained below		
Loss on ordinary activities before taxation	(590,031)	(2,782,962)
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	(165,209)	(779,229)
Effects of		
Non deductible expenses	-	840
Capital allowances in excess of depreciation	-	2,603
Tax losses carried forward	-	406,971
Other tax adjustments	9	(112,731)
	9	297,683
CURRENT TAX CREDIT	(165,200)	(481,546)

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

8 TANGIBLE FIXED ASSETS

	Fixtures, fittings & equipment
	£
COST	
At 1 January 2010 & at 31 December 2010	235,171
DEPRECIATION	
At 1 January 2010	149,345
Charge for the year	7,332
At 31 December 2010	156,677
NET BOOK VALUE	
At 31 December 2010	78,494
At 31 December 2009	85,826

9 STOCK

	2010	2009
	£	£
Land and buildings in the course of development	1,329,963	2,214,720

10 DEBTORS

	2010	2009
	£	£
Trade debtors	922,722	1,313,469
Amounts recoverable on long term contracts	2,523,891	2,232,489
Amounts owed by fellow subsidiary undertakings	613,783	720
Other debtors	6,373	32,789
Prepayments and accrued income	-	3,759
Deferred tax asset (see note 13)	-	435,487
	4,066,769	4,018,713

Amounts falling due after more than one year and included in the debtors above are

	2010	2009
	£	£
Trade debtors	-	441,248

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

11 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR	2010	2009
	£	£
Bank loans and overdrafts	7,513,664	5,744,056
Payments received on account	-	264,882
Trade creditors	598,282	2,360,482
Amounts owed to fellow subsidiary undertakings	3,398,460	2,726,015
Corporation tax	-	34,216
Other taxes and social security costs	10,243	13,204
Other creditors	18,151	79,522
Accruals and deferred income	18,000	30,158
	<u>11,556,800</u>	<u>11,252,535</u>

The bank loans and overdrafts are secured by a fixed charge on the freehold land and buildings of the ultimate parent company and a floating charge over all current assets of the group

12 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2010	2009
	£	£
Long term trade creditors	-	287,980
	<u>-</u>	<u>287,980</u>

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

13 DEFERRED TAX

	Deferred tax asset £
Balance at 1 January 2010	(435,487)
Profit and loss account	435,487
	<u> </u>
Balance at 31 December 2010	<u> </u>

DEFERRED TAX IS PROVIDED AS FOLLOWS

	2010 £	2009 £
Decelerated capital allowances	-	4,428
Other timing differences	-	(302)
Tax losses available	-	(439,613)
	<u> </u>	<u> </u>
	-	(435,487)
	<u> </u>	<u> </u>

The losses in the previous year arose as a result of difficult trading conditions. A deferred tax asset was recognised on the basis of an expected improvement in the performance of the trade, previously carried out by the company. The asset was recognised to the extent that profits from this trade were expected to arise in the foreseeable future. The amount of the asset not provided at 31 December 2010 amounts to £751,888 (2009: £243,995).

14 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

DEFINED CONTRIBUTION

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £1,907 (2009: £2,129) were payable to the fund at the year end and are included in creditors.

	2010 £	2009 £
Contributions payable by the company for the year	11,780	19,360
	<u> </u>	<u> </u>

15 SHARE CAPITAL

	2010 £	2009 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,512,000 Ordinary of £1 each	1,512,000	1,512,000
	<u> </u>	<u> </u>
EQUITY SHARES		
1,512,000 Ordinary of £1 each	1,512,000	1,512,000
	<u> </u>	<u> </u>

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

16 RESERVES

	Profit and loss account
	£
Balance at 1 January 2010	(6,733,256)
Loss for the year	(860,318)
Balance at 31 December 2010	<u>(7,593,574)</u>

17 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Loss for the financial year	(860,318)	(2,220,611)
Opening shareholders' deficit	<u>(5,221,256)</u>	<u>(3,000,645)</u>
Closing shareholders' deficit	<u>(6,081,574)</u>	<u>(5,221,256)</u>

18 CONTINGENT LIABILITIES

The company has a cross guarantee arrangement with its principal bankers in respect of the total net group borrowings of £16,612,000 (2009 £16,645,000). These amounts due to the bank are secured by way of a fixed charge over the freehold land and buildings of Doyle Plc and by way of a floating charge over the current assets of Doyle plc and its group, which includes Bell Projects Limited. There is a contingent liability under the group VAT registration of £316,195 (2009 £476,283).

19 FINANCIAL COMMITMENTS

At 31 December 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2011

	Other 2010 £	2009 £
Operating leases which expire Between two and five years	<u>9,923</u>	<u>11,829</u>

20 CONTROL

The immediate parent company is John Doyle Holdings Limited, a company incorporated in England and Wales. The ultimate parent company is Doyle plc, a company incorporated in England and Wales. There is no ultimate controlling party.

A copy of the Doyle Plc consolidated financial statements can be obtained from John Doyle House, Little Burrow, Welwyn Garden City, Herts, AL7 4SP.

Bell Projects Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2010

21 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to disclose transactions with 100% owned group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company, which are publicly available