

Vico Kent Limited

Report and Financial Statements  
for the 18 month period from  
30 June 2011 to  
31 December 2012

*Company Registration No 2282502*

WEDNESDAY



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**VICO KENT LIMITED**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

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**CONTENTS**

**PAGE**

DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 4
STATEMENT OF DIRECTORS' RESPONSIBILITIES	5
INDEPENDENT AUDITOR'S REPORT	6 - 7
STATEMENT OF ACCOUNTING POLICIES	8
PROFIT AND LOSS ACCOUNT	9
BALANCE SHEET	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 15

**VICO KENT LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Charles J. Carvill  
Thomas Carvill  
Michael Carvill  
Colin Taylor (1 November 2012)

**SECRETARY**

Thomas Carvill

**INDEPENDENT AUDITORS**

Deloitte & Touche  
Chartered Accountants & Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**SOLICITORS**

Cannings Connolly Solicitors  
7th Floor  
16 St Martin's-le-Grand  
London  
EC1A 4EE

**REGISTERED OFFICE**

7th Floor  
16 St Martin's-le-Grand  
London  
EC1A 4EE

**BANKERS**

Northern Bank Limited  
Donegal Square North  
Belfast  
BT1 6JS

## VICO KENT LIMITED

### DIRECTORS' REPORT

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The directors submit their annual report, together with the audited financial statements, for the 18 month period from 30 June 2011 to 31 December 2012

#### ACTIVITIES

The principal activity of the company in the period under review was property development

#### RESULTS AND DIVIDENDS

The profit before taxation for the period was £1,563,019 (2011 loss of £405,725)

The directors do not recommend payment of a dividend (2011 £Nil)

#### RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the property industry include a downturn in the property market, an increase in interest rates, a shortage of available development land and delays in securing planning permissions. These risks are monitored by the directors on an ongoing basis.

#### FUTURE DEVELOPMENTS

The company will continue to develop its properties and expects to investigate further projects and acquisitions as an expansion of its existing base of operations.

#### DIRECTORS

The present membership of the board is set out on page 2. Colin Taylor resigned as director on 1 November 2012.

#### DIRECTORS' AND SECRETARY'S INTERESTS

None of the directors or secretary of the company who held office at 31 December 2012 had an interest in the share capital of the company at 31 December 2012 or 1 July 2011.

The following shares were held by the directors who held office at 31 December 2012 in the ultimate parent undertaking, Vico Properties plc, at 31 December 2012 and 1 July 2011.

	Number of Ordinary Shares of Stg 10p each	
	2012	2011
Charles J. Carvill	336,420	336,420
Thomas Carvill	328,410	328,410
Michael Carvill	732,915	732,915
Colin Taylor (Resigned 1 November 2012)	237,242	237,242

## AUDITORS

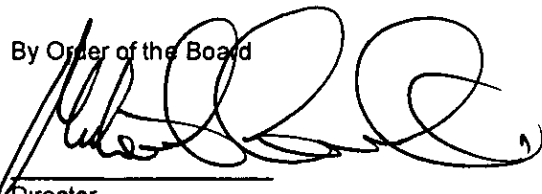
Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act, 2006

Pursuant to s386 Companies Act, 1985, an elective resolution was passed dispensing with the requirement to appoint auditors annually. This election was in force immediately before 1 October 2007. Therefore, Deloitte & Touche are deemed to continue as auditors. The company also resolved that while this election is in force the remuneration of the auditors will be fixed by the directors.

By Order of the Board



Director

MICHAEL CARVILL

Date 16<sup>th</sup> August 2013

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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The Directors are responsible for preparing the Annual 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 judgments and accounting 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, 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICO KENT LIMITED**

We have audited the financial statements of Vico Kent Limited for the 18 month period from 30 June 2011 to 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 17. 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 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 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**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its result for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the requirements of the Companies Act, 2006

### ***Emphasis of matter – going concern***

Without qualifying our opinion, we draw your attention to Note 1 to the financial statements which indicates that the company incurred a profit for the period of £1,563,019 and had net assets of £428,441 at the balance sheet date. The company had bank loans at the balance sheet date of £1,009,000 which are currently due for renewal. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The company's ultimate parent undertaking, Vico Properties plc, which also has bank facilities due for renewal, has agreed to provide continued financial support. The directors are confident that on-going discussions with the company's and group's bankers will have a satisfactory outcome and that bank facilities will continue to be available to meet the directors' forecast of the cash requirements of the company and group for a minimum period of at least twelve months from the date of approval of the financial statements. The directors are satisfied that it is appropriate to continue to prepare the financial statements of the company on a going concern basis. The financial statements do not include any adjustments that would arise if the company was unable to continue as a going concern.

Members of  
Deloitte Touche Tohmatsu  
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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICO KENT LIMITED**

### **Opinion on other matter prescribed by the Companies Act, 2006**

In our opinion the information given in the Directors' Report for the financial period 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



Ronan Nolan (Senior Statutory Auditor)  
for and on behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Dublin  
Ireland

Date 16/8/13



The significant accounting policies adopted by the company are as follows

**BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

The company has obtained written confirmation of continued support from the company's ultimate parent company, Vico Properties plc, for a period of not less than 12 months from the date of approval of the financial statements to enable the company to meet its liabilities as they fall due. On that basis, the director considers it appropriate to prepare the financial statements of the company on a going concern basis.

**ACCOUNTING CONVENTION**

The financial statements are prepared under the historical cost convention.

**STOCKS**

Sites held for development or sites for which no contract of sale exists are stated at the lower of cost and net realisable value.

Cost represents the expenditure incurred on site, materials, direct labour and overheads in bringing the work in progress to its present condition.

**FINANCE COSTS**

For properties in the course of development, cost includes finance costs from the commencement of the development. These costs are normally calculated with reference to the actual interest rate applicable to the borrowing specific to the development.

The period of development for the purpose of capitalising finance costs is deemed to be completed as follows:

- (i) When the property is substantially let. Substantially let is defined as the date when 80% of the gross rental income becomes receivable.
- (ii) When the building is occupied in the case of pre-let properties.
- (iii) When income exceeds outgoings.

Finance costs are reduced by rental income received during the period of development.

**TAXATION**

Corporation tax is provided on taxable profits at current rates.

Deferred taxation 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 the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that they are regarded as recoverable.

**VICO KENT LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

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	<i>Notes</i>	<b>18 months to 31 December 2012 £</b>	<b>12 months to 30 June 2011 £</b>
<b>TURNOVER</b>		<b>7,820,000</b>	-
Cost of sales		<b>(6,256,756)</b>	-
<b>GROSS PROFIT</b>		<b>1,563,244</b>	-
Administrative expenses		<b>(225)</b>	<b>(405,725)</b>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>3</b>	<b>1,563,019</b>	<b>(405,725)</b>
Taxation	<b>4</b>	-	-
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>	<b>11</b>	<b>1,563,019</b>	<b>(405,725)</b>

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All recognised gains and losses have been reflected in this profit and loss account. There were no movements on shareholders' funds other than the recognised gains and losses in the current and prior period. All profits and losses arose from continuing activities in the current and prior period.

**VICO KENT LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 2012**

	Notes	31 December 2012 £	30 June 2011 £
<b>CURRENT ASSETS</b>			
Stocks	5	2,250,000	6,423,379
Debtors	6	21,595	13,792
Cash at bank		560,945	4,308
		<u>2,832,540</u>	<u>6,441,479</u>
<b>CREDITORS</b> (Amounts falling due within one year)	7	(2,404,099)	(5,006,057)
<b>NET CURRENT ASSETS</b>		<u>428,441</u>	<u>1,435,422</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>428,441</u>	<u>1,435,422</u>
<b>CREDITORS:</b> (Amounts falling due after more than one year)	8	-	(2,570,000)
<b>NET LIABILITIES</b>		<u>428,441</u>	<u>(1,134,578)</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	10	100	100
Profit and loss account – Surplus/(Deficit)	11	428,341	(1,134,678)
<b>SHAREHOLDERS' FUNDS/(DEFICIT)</b>	12	<u>428,441</u>	<u>(1,134,578)</u>

The financial statements of Vico Kent Limited, registered number 2282502, were approved by the Board of Directors on 16<sup>th</sup> August 2013 and signed on its behalf by

\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

**MICHAEL CARVILL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

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**1. GOING CONCERN**

The directors have given careful consideration to the appropriateness of the going concern basis in the preparation of the financial statements particularly as Note 7 to the Balance Sheet shows that the Company had Bank Loans of £1,009,000 (30/06/2011 £4,047,283) and owed its parent Company £975,440

All of the group's banking facilities fall due for renewal currently. The group has deferred interest payments on bank loans due at the end of December 2012. The company's ultimate parent undertaking, Vico Properties plc, which also has bank facilities due for renewal, has agreed to provide continued financial support to the company. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern.

The directors have reviewed the current and projected financial position of the company and the group. The key areas reviewed include, the timing and value of property sales, committed future expenditure and the continued availability of existing banking facilities.

The group has also recently secured planning permission for another smaller food store site in Scotland. The group are in detailed discussions with a potential purchaser.

The directors are optimistic that contracts for sale can be concluded, on both sites, which will lead to significant cash receipts over the coming twelve months.

The directors have taken steps to reduce cash outflows by significantly reducing group overhead and by careful management of the professional fee expenditure required to keep existing projects moving forward.

Discussions continue with the group bankers and the directors are confident that there will be a successful outcome to these discussions and that the banking facilities will continue to be made available to meet the directors' forecast of the cash requirements of the group for a minimum period which will extend to at least twelve months from the date of approval of these financial statements.

Having considered the uncertainties described above the directors are confident that the company will have adequate resources available to continue in operational existence for the foreseeable future. The directors are, therefore, of the opinion that it is appropriate to adopt the going concern basis in preparing these financial statements. The financial statements do not include the adjustments to the carrying amount or classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

**2. EMPLOYEES AND REMUNERATION**

No staff are employed by the company.

VICO KENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012 (CONTINUED)

3.	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	18 months to 31 December 2012 £	12 months to 30 June 2011 £
	Loss on ordinary activities before taxation has been arrived at after charging		
	Directors' remuneration	-	-
	Auditor's remuneration	-	-
		<u>          </u>	<u>          </u>

Auditor's remuneration is borne by another group company in the current period

4.	TAXATION	18 months to 31 December 2012 £	12 months to 30 June 2011 £
	Taxation charge	-	-
		<u>          </u>	<u>          </u>
	<b>Factors affecting tax charge for the period:</b>		
	Profit/(Loss) on ordinary activities before taxation	1,563,019	(405,725)
		<u>          </u>	<u>          </u>
	Corporation tax 25% (2011 28%)	390,755	(113,603)
	Losses available from earlier years/ for use in future years	(291,939)	113,603
	Group Relief	(98,816)	-
		<u>          </u>	<u>          </u>
		<u>          </u>	<u>          </u>

The company has tax losses of £Nil (2011 £1,167,747) that are available for offset against future taxable profits. A deferred tax asset of £ Nil (2011 £326,969) has not been recognised in respect of these losses as the company has not reported profits for some time and there is uncertainty as to when sufficient future taxable profits will be available to utilise these losses.

5.	STOCKS	18 months to 31 December 2012 £	12 months to 30 June 2011 £
	Site held for development	2,250,000	6,423,379
		<u>          </u>	<u>          </u>

Included in site held for development is interest capitalised net of rental income of £Nil (2011 £1,654,523)

**VICO KENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012 (CONTINUED)**

<b>6. DEBTORS</b>	<b>31 December 2012</b>	<b>30 June 2011</b>
	£	£
VAT	21,595	13,792
	<u>21,595</u>	<u>13,792</u>
<b>7. CREDITORS: (Amounts falling due within one year)</b>	<b>31 December 2012</b>	<b>30 June 2011</b>
	£	£
Bank loans (Note 9)	1,009,000	4,047,283
Amount due to group company	975,440	653,052
Trade Creditors	1,800	
Accruals	417,859	305,722
	<u>2,404,099</u>	<u>5,006,057</u>
<b>8 CREDITORS: (Amounts falling due after more than one year)</b>	<b>31 December 2012</b>	<b>30 June 2011</b>
	£	£
Amounts due to group companies	-	2,570,000
	<u>-</u>	<u>2,570,000</u>
<b>9. BANK LOANS</b>		
Bank loans are secured by the following		
(i) A fixed charge over the company's property at Portadown and a floating charge over book debts		
<b>10. CALLED-UP SHARE CAPITAL</b>	<b>31 December 2012</b>	<b>30 June 2011</b>
	£	£
<b>Authorised:</b>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
	<u>1,000,000</u>	<u>1,000,000</u>
<b>Allotted, Called-up and Fully Paid:</b>		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<b>11. PROFIT AND LOSS ACCOUNT</b>	<b>18 months to 31 December 2012</b>	<b>12 months to 30 June 2011</b>
	£	£
At beginning of year	(1,134,678)	(728,953)
Profit/ (Loss) for the period	1,563,019	(405,725)
	<u>1,563,019</u>	<u>(405,725)</u>
At end of period	428,341	(1,134,678)
	<u>428,341</u>	<u>(1,134,678)</u>

**VICO KENT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012 (CONTINUED)**

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**12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS/(DEFICIT)**

	18 months to 31 December 2012 £	12 months to 30 June 2011 £
At beginning of period	(1,134,578)	(728,853)
Profit/(Loss) for the period	1,563,019	(405,725)
At end of period	<u>428,441</u>	<u>(1,134,578)</u>

**13. CONTINGENT LIABILITIES**

**Guarantee**

The company has together with fellow group companies Vico Properties plc, Vico Properties (Northern) Limited, Vico Land & Estates Limited, Vico Projects Limited, Vico Properties Scotland Limited, Vico Securities Limited and Vico Properties East Anglia Limited entered into an unlimited intercompany cross guarantee. The amount guaranteed at the balance sheet date was £12,346,706 (2011 £16,919,563)

**14. GROUP MEMBERSHIP**

In the opinion of the directors, the company's ultimate parent undertaking is Vico Properties plc, a company incorporated in Northern Ireland. The parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared, is Vico Properties plc.

Copies of the group financial statements of Vico Properties plc are available from

Companies House  
Second Floor  
The Linenhall  
32 -38 Linenhall Street  
Belfast  
BT2 8BG

**15. CASH FLOW STATEMENT**

In accordance with Financial Reporting Standard 1 "Cash Flow Statements", a cash flow statement has not been prepared for the company as the cash flows of the group are disclosed in the consolidated financial statements of the ultimate parent undertaking.

**16. RELATED PARTY TRANSACTIONS**

The directors have availed of the exemption under Financial Reporting Standard 8 "Related Party Disclosures" which permits subsidiaries 100% of whose voting rights are controlled within the group not to disclose transactions with other wholly owned entities of the group.

**17. POST BALANCE SHEET EVENTS**

There have been no significant events since the year end