

Registered in England and Wales: 2597049

STANNIFER LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2008

TUESDAY



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27/10/2009
COMPANIES HOUSE
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**STANNIFER LIMITED
DIRECTORS AND ADVISERS**

Directors

SAJ Nahum
MR Turner
DJ Collins
JL Tuckey
PC O'Driscoll

Secretary

E L Services Limited

Registered Office

25 Harley Street
London
W1G 9BR

Registered Auditors

KPMG LLP
8 Salisbury Square
London
EC4Y 8BB

STANNIFER LIMITED
DIRECTORS REPORT

- The directors present their report and financial statements for the year ended 31 December 2008.

Principal activity

The company is a holding company. The activities of its subsidiary undertakings consisted of property development and consultancy.

Review of business

The company sold an investment in a subsidiary, but did not actively trade during the year.

Results and dividend

The results for the year are shown in the profit and loss account on page 5. The loss for the year of £13,605 (2007 - profit of £10,088,888) has been transferred from reserves.

The directors do not recommend the payment of a final dividend (2007 - £52,454,333).

Directors and directors' interests

The directors of the company who served during the year were as follows:

SAJ Nahum	
MR Turner	
DJ Collins	(appointed 13 February 2008)
JL Tuckey	(appointed 15 February 2008)
PC O'Driscoll	(appointed 15 February 2008)
RA McDiven	(resigned 13 February 2008)
JE McGivern	(resigned 15 February 2008)

None of the directors had any interest in the share capital of the company.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

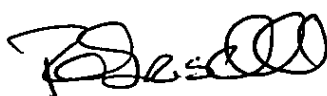
Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



DJ Collins
 Director



3rd September 2009

STANNIFER LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT
AND THE 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP
 8 Salisbury Square
 London EC4Y 8BB
 United Kingdom

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STANNIFER LIMITED

We have audited the financial statements of Stannifer Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes.

These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. 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 judgments 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.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
 Chartered Accountants
 Registered Auditor
 London

30

September 2009

STANNIFER LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 £	2007 £
Distributions of profit from investments		707	29,394
Gross profit		<u>707</u>	<u>29,394</u>
Administrative expenses		-	(37,288)
Operating loss		<u>707</u>	<u>(7,894)</u>
(Loss) profit on investments	2	(14,310)	16,737
Interest receivable and similar income	3	-	1,339
(Loss) profit on ordinary activities before taxation	4	<u>(13,603)</u>	<u>10,182</u>
Taxation	5	-	10,078,706
(Loss) profit for the financial year		<u><u>(13,603)</u></u>	<u><u>10,088,888</u></u>

The above results relate entirely to continuing operations.

There is no material difference between the result as disclosed in the profit and loss account and the retained profit for the year stated above and their historical equivalents.

STANNIFER LIMITED

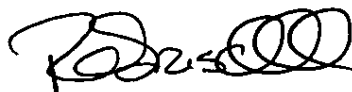
BALANCE SHEET
AS AT 31 DECEMBER 2008

	Notes	2008 £	2007 £
Fixed assets			
Investments	6	<u>6</u>	<u>3,083,740</u>
Current assets			
Debtors	7	3,307,911	237,447
Current liabilities			
Creditors	8	<u>(3,136,647)</u>	<u>(3,136,314)</u>
Net current assets (liabilities)		<u>171,264</u>	<u>(2,898,867)</u>
Net assets		<u>171,270</u>	<u>184,873</u>
Capital and reserves			
Called up share capital	9	175,000	175,000
Profit and loss account	10	(3,730)	9,873
Equity shareholders' funds	11	<u>171,270</u>	<u>184,873</u>

Approved by the board of directors on 3rd September 2009 and signed on its behalf by:



DJ Collins
Director



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

STANNIFER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under historical cost accounting rules.

The company is exempt by virtue of section 228 of the Companies Act from the requirement to produce group accounts.

Taxation

The charge for taxation is based on the results for the year. Deferred tax is provided in respect of all timing differences that have originated but not reversed at the balance sheet date where an event has occurred that results in an obligation to pay more or less tax in the future, except that:

- (i) provision is not made in respect of property revaluation surpluses unless an unconditional sales agreement has been signed and rollover relief is not available to cover any gain arising; and
- (ii) deferred tax assets are recognised only to the extent that it is more likely than not that there will be suitable taxable profits from which the future reversal of the relevant timing differences can be deducted.

Deferred tax is measured on a non discounted basis at the tax rates which apply at the balance sheet date.

Investments

Fixed asset investments are stated in the balance sheet at cost and would only be provided against if, in the opinion of the directors, there had been a permanent diminution in value.

Cashflow statement

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

2 (LOSS)/PROFIT ON INVESTMENTS

	2008 £	2007 £
Writeback loans	-	1,002
Writedown of investments	-	(3,001)
Movement in provision for writedown of investments	-	18,736
(Loss) on sale of investment	(14,310)	-
	<u>(14,310)</u>	<u>16,737</u>

STANNIFER LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)**

3	INTEREST RECEIVABLE AND SIMILAR INCOME	2008	2007
		£	£
	Bank interest receivable	<u>-</u>	<u>1,339</u>

4 (LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

None of the directors have received any remuneration from the company during the year (2007: nil).

The company has no employees.

Audit fees are paid by Duelguide Management Services Limited, a related party. Audit fees attributable to Stannifer Limited for the year are estimated to be £2,000 (2007 - £2,000).

5	TAXATION	2008	2007
		£	£
	(i) Analysis of charge for the year:		
	Current year (refer to (ii) below)		
	Current year tax	-	-
	Prior year adjustment	-	(10,078,706)
		<u>-</u>	<u>(10,078,706)</u>
	(ii) Factors affecting tax charge for the year:		
	Profit/(loss) on ordinary activities before tax	<u>(13,603)</u>	<u>10,182</u>
	Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK (28.5%)	(3,877)	3,055
	Effects of :		
	Movement in provision against investments in subsidiaries	-	(5,621)
	Dividends receivable not subject to tax	(201)	(8,818)
	Release of 2003 general tax provision	-	(10,078,706)
	Transfer/(receipt) of losses from other group companies for which no compensation will be received/paid	4,078	11,384
		<u>-</u>	<u>(10,078,706)</u>

STANNIFER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

6 INVESTMENTS

	Subsidiary undertakings	
	£ 2008	£ 2007
Cost:		
At 1 January	8,415,004	8,415,004
Reverse prior year writedown	2	-
Sale of investment	(8,415,000)	-
At 31 December	<u>6</u>	<u>8,415,004</u>
Amounts provided:	£ 2008	£ 2007
At 1 January	(5,331,264)	(5,331,264)
Release provision on sale of investment	5,331,264	-
At 31 December	<u>-</u>	<u>(5,331,264)</u>
Net book value	£ 2008	£ 2007
As at 31 December	<u><u>6</u></u>	<u><u>3,083,740</u></u>

At 31 December 2008 the company held investments in the following entities:

<u>Company</u>	<u>Ownership</u>	<u>Activity</u>	<u>Description</u>
Stannifer Management Limited	1%	Property Management	Ordinary £1 Shares
Stannifer (Consultancy) Limited	1%	Property Consultants	Ordinary £1 Shares
Kirkcaldy No 1 General Partner Limited	100%	Management	
Kirkcaldy No 2 General Partner Limited	100%	Management	

During the year the company disposed of its investment in Kirkcaldy Unit Trust at market value of £3,069,424 to R&M Investments (BVI) Limited, a related party.

STANNIFER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

7	DEBTORS	2008 £	2007 £
	Amounts due from group undertakings	200,709	200,000
	Amounts due from related parties	3,069,424	-
	VAT recoverable	2,480	2,480
	Other debtors	35,298	34,967
		<u>3,307,911</u>	<u>237,447</u>
8	CREDITORS: amounts falling due within one year	2008 £	2007 £
	Amounts owed to group undertakings	3,136,647	3,136,314
		<u>3,136,647</u>	<u>3,136,314</u>
9	CALLED UP SHARE CAPITAL	2008 £	2007 £
	Authorised: 175,000 ordinary shares of £1 each	<u>175,000</u>	<u>175,000</u>
	Allotted, called up and fully paid: 175,000 ordinary shares of £1 each	<u>175,000</u>	<u>175,000</u>
10	PROFIT AND LOSS ACCOUNT	2008 £	2007 £
	Balance brought forward	9,873	42,375,318
	(Loss)/profit for the year	(13,603)	10,088,888
	Dividends paid	-	(52,454,333)
	Balance carried forward	<u>(3,730)</u>	<u>9,873</u>

STANNIFER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008 (continued)

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2008 £	2007 £
Opening shareholders' funds	184,873	42,550,318
(Loss)/profit for the year	(13,603)	10,088,888
Dividends paid	-	(52,454,333)
Closing shareholders' funds	<u>171,270</u>	<u>184,873</u>

12 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	2008 £	2007 £
Operating (loss)	-	(7,894)
Increase in debtors	(3,070,464)	(203,266)
Increase in creditors	333	38,417
Net cash outflow from operating activities	<u>(3,070,131)</u>	<u>(172,743)</u>

13 RELATED PARTY TRANSACTIONS	2008 £	2007 £
Balance Sheet		
R&M Investments (BVI) Limited Debtor-Loan Balance ¹	<u>3,069,424</u>	<u>-</u>

1. In June 2008 the company sold its investment in the Kirkcaldy Unit Trust to R&M Investments (BVI) Limited, a related party, at its market value of £3,069,424. Upon completion of the sale, the cash proceeds were loaned to R&M Investments (BVI) Limited and the amount remained outstanding at year end.

14 HOLDING COMPANIES

R&M Investments (BVI) Limited, incorporated in the British Virgin Islands, acquired 100% of the share capital of the company on 18th June 2008 and is the immediate holding and controlling company of Stannifer Limited. R&M Investments (BVI) Ltd, incorporated in the British Virgin Islands is ultimately owned by Brookfield Asset Management Inc, registered in Canada as to 50% and Landal Worldwide Corp Ltd, registered in the British Virgin Isles as to 50% in respect of this company.