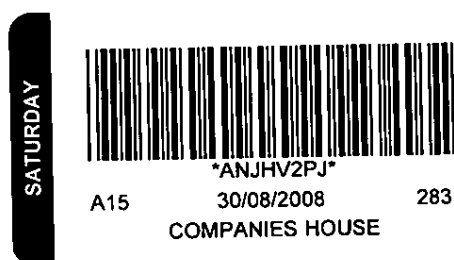


Company Registration Number 2925642

**Whitetree Group Limited**

**Financial Statements**

**31 March 2008**



**CLB COOPERS**

Chartered Accountants & Registered Auditors  
Century House  
11 St Peters Square  
Manchester  
M2 3DN

# **WHITETREE GROUP LIMITED**

## **Financial Statements**

**Year ended 31 March 2008**

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# **WHITETREE GROUP LIMITED**

## **Officers and Professional Advisers**

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**The Board of Directors**

Sir Hugh Sykes  
Lady Sykes

**Company Secretary**

B W Evans

**Registered Office**

The Coach House  
Brookfield Manor  
Hathersage  
Hope Valley  
Derbyshire  
S32 1BR

**Auditor**

CLB Coopers  
Chartered Accountants  
& Registered Auditors  
Century House  
11 St Peters Square  
Manchester  
M2 3DN

**Bankers**

Barclays Bank Plc  
Commercial Street  
Sheffield  
West Yorkshire  
S1 1NG

# **WHITETREE GROUP LIMITED**

## **The Directors' Report**

**Year ended 31 March 2008**

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The directors present their report and the financial statements of the company for the year ended 31 March 2008

### **Principal activities**

On 1 April 2007, the trade, assets and liabilities of the company were transferred to the parent company, Whitetree Holdings Limited. As a result, Whitetree Group Limited ceased to trade as at this date

### **Directors**

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

Sir Hugh Sykes

Lady Sykes

Lady Sykes was appointed as a director on 1 April 2007

### **Directors' responsibilities**

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). 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 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 that 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 1985. 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

### **Auditor**

A resolution to re-appoint CLB Coopers as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

# WHITETREE GROUP LIMITED

## The Directors' Report *(continued)*

Year ended 31 March 2008

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### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office  
The Coach House  
Brookfield Manor  
Hathersage  
Hope Valley  
Derbyshire  
S32 1BR

Signed on behalf of the directors

A handwritten signature in black ink, appearing to be 'B W Evans', written over a horizontal line.

B W Evans  
Company Secretary

Approved by the directors on 9 July 2008

# **WHITETREE GROUP LIMITED**

## **Independent Auditor's Report to the Shareholders**

**Year ended 31 March 2008**

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We have audited the financial statements of Whitetree Group Limited for the year ended 31 March 2008 on pages 6 to 12, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on page 8

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

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

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 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.

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.

# WHITETREE GROUP LIMITED

## Independent Auditor's Report to the Shareholders *(continued)*

Year ended 31 March 2008

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### Opinion

In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 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



Century House  
11 St Peters Square  
Manchester  
M2 3DN

CLB Coopers  
Chartered Accountants  
& Registered Auditors

9 July 2008

# WHITETREE GROUP LIMITED

## Profit and Loss Account

Year ended 31 March 2008

	Note	2008 £	2007 £
Rental income		–	80,330
Administrative expenses		–	(20,533)
Operating profit	2	–	59,797
Interest receivable		–	3,798
Waiver of inter-company debtor	3	(355,002)	–
(Loss)/profit on ordinary activities before taxation		(355,002)	63,595
Tax on (loss)/profit on ordinary activities	4	–	(12,069)
(Loss)/profit for the financial year		<u>(355,002)</u>	<u>51,526</u>

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

# WHITETREE GROUP LIMITED

## Balance Sheet

31 March 2008

	Note	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	6	—	1,000,000
<b>Current assets</b>			
Debtors	7	—	35,695
Cash at bank		—	128,049
		—	163,744
<b>Creditors: Amounts falling due within one year</b>	8	—	(47,621)
<b>Net current assets</b>		—	116,123
<b>Total assets less current liabilities</b>		—	1,116,123
<b>Capital and reserves</b>			
Called-up equity share capital	10	88,752	88,752
Share premium account	11	266,250	266,250
Revaluation reserve	12	—	503,492
Profit and loss account	13	(355,002)	257,629
<b>Shareholders' funds</b>	14	—	1,116,123

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

These financial statements were approved by the directors and authorised for issue on 9 July 2008, and are signed on their behalf by:



Sir Hugh Sykes

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

# **WHITETREE GROUP LIMITED**

## **Notes to the Financial Statements**

**Year ended 31 March 2008**

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### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

#### **Rental income**

Rental income represents the income attributable to the period received from investment properties and is stated net of VAT

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings                      -    10% - 25%

Freehold investment properties are not depreciated

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve

#### **Investment properties**

Investment properties, as defined in Statement of Standard Accounting Practice No 19, are revalued annually. The aggregate surplus or deficit is transferred to the investment property revaluation reserve and any deficit exceeding the existing reserve is charged directly to the profit and loss account in the year.

The requirement of the Companies Act 1985 is to depreciate all properties but that requirement conflicts with the generally accepted principle set out in SSAP 19. The directors consider that, as these properties are not held for consumption but for investment, to depreciate them would not give a true and fair view and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

#### **Deferred taxation**

Deferred taxation has been calculated on the full provision method as required by FRS 19. Deferred taxation is provided on timing differences which have originated but not reversed at the balance sheet date, at the rates of tax likely to be in force at the time of the reversal. Timing differences arise due to including gains and losses in tax assessments in periods different from the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# WHITETREE GROUP LIMITED

## Notes to the Financial Statements

Year ended 31 March 2008

### 2. Operating profit

Operating profit is stated after charging

	2008 £	2007 £
Auditor's fees	<u>-</u>	<u>3,000</u>

### 3. Waiver of inter-company debtor

	2008 £	2007 £
Waiver of inter-company debtor	<u>355,002</u>	<u>-</u>

### 4. Taxation on ordinary activities

#### (a) Analysis of charge in the year

	2008 £	2007 £
Current tax		
UK Corporation tax based on the results for the year at 20% (2007 - 19%)	-	12,069
Total current tax	<u>-</u>	<u>12,069</u>

#### (b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20% (2007 - 19%)

	2008 £	2007 £
(Loss)/profit on ordinary activities before taxation	<u>(355,002)</u>	<u>63,595</u>
(Loss)/profit on ordinary activities by rate of tax	<u>(106,501)</u>	<u>12,083</u>
Expenses not deductible for tax purposes	106,501	-
Accelerated capital allowances	-	(14)
Total current tax (note 4(a))	<u>-</u>	<u>12,069</u>

### 5. Dividends

#### Equity dividends

	2008 £	2007 £
Paid		
Equity dividends on ordinary shares	<u>761,121</u>	<u>-</u>

# WHITETREE GROUP LIMITED

## Notes to the Financial Statements

Year ended 31 March 2008

### 6. Tangible fixed assets

	Freehold Property £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 April 2007	1,000,000	2,438	1,002,438
Transfers	(1,000,000)	(2,438)	(1,002,438)
<b>At 31 March 2008</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Depreciation</b>			
At 1 April 2007	-	2,438	2,438
Transfers	-	(2,438)	(2,438)
<b>At 31 March 2008</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net book value</b>			
<b>At 31 March 2008</b>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2007	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>

### 7. Debtors

	2008 £	2007 £
Trade debtors	-	26,604
Amounts owed by group undertakings	-	9,089
Other debtors	-	2
	<u>-</u>	<u>35,695</u>

Amounts owed by group undertakings are receivable in more than one year

### 8 Creditors: Amounts falling due within one year

	2008 £	2007 £
Corporation tax	-	12,069
VAT	-	2,926
Accruals and deferred income	-	32,626
	<u>-</u>	<u>47,621</u>

### 9. Related party transactions

On 1 April 2007, the company transferred its trade, assets and liabilities to its parent company, Whitetree Holdings Limited. All assets were transferred at net book value. The company ceased to trade at that date.

# WHITETREE GROUP LIMITED

## Notes to the Financial Statements

Year ended 31 March 2008

### 10. Share capital

#### Authorised share capital.

	2008	2007
	£	£
177,504 'A' Ordinary Shares shares of £0 25 each	44,376	44,376
177,504 'B' Ordinary Shares shares of £0 25 each	44,376	44,376
	<u>88,752</u>	<u>88,752</u>

#### Allotted, called up and fully paid:

	2008	£	2007	£
	No		No	
'A' Ordinary Shares shares of £0 25 each	177,504	44,376	177,504	44,376
'B' Ordinary Shares shares of £0 25 each	177,504	44,376	177,504	44,376
	<u>355,008</u>	<u>88,752</u>	<u>355,008</u>	<u>88,752</u>

### 11. Share premium account

There was no movement on the share premium account during the financial year

### 12. Revaluation reserve

	2008	2007
	£	£
Balance brought forward	503,492	503,492
Transfer to the Profit and Loss Account on realisation	(503,492)	—
Balance carried forward	<u>—</u>	<u>503,492</u>

### 13. Profit and loss account

	2008	2007
	£	£
Balance brought forward	257,629	206,103
Transfer from revaluation reserve	503,492	—
Equity dividends	(761,121)	—
	<u>—</u>	<u>206,103</u>
(Loss)/profit for the financial year	(355,002)	51,526
Balance carried forward	<u>(355,002)</u>	<u>257,629</u>

# WHITETREE GROUP LIMITED

## Notes to the Financial Statements

Year ended 31 March 2008

### 14. Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
(Loss)/Profit for the financial year	(355,002)	51,526
Equity dividends	(761,121)	—
Net (reduction)/addition to shareholders' funds	(1,116,123)	51,526
Opening shareholders' funds	1,116,123	1,064,597
Closing shareholders' funds	—	1,116,123

### 15. Ultimate parent company

The ultimate holding company is Whitetree Holdings Limited, a company incorporated in England and Wales. Whitetree Holdings Limited is controlled by Sir Hugh Sykes.