

Centremanor (E.S.) Limited

**Directors' report and financial
statements**

Registered number 3380963

For the Year ended 31 December 2009

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Directors' report and financial statements

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activity

The principal activity of the company is the obtaining and provision of finance. There has been no significant change in the nature of the company's business activity, nor is any envisaged in the immediate future.

Results and dividends

The result for the year ended 31 December 2009 is set out in the attached financial statements.

The directors do not recommend the payment of a dividend (2008 £nil)

Directors

The directors who held office during the year are

Mr BSE Freshwater

Mr D Davis

The Articles of Association of the company do not require the directors to retire by rotation.

The directors do not have service contracts nor do they receive any emoluments from 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 Cohen Arnold and KPMG LLP will therefore continue in office as joint auditors of the company.

By order of the board



MRM Jenner
Secretary

Freshwater House
158/162 Shaftesbury Avenue
London WC2H 8HR

21 July 2010

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).

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 judgements 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 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 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.



Report of the joint independent auditors, Cohen Arnold and KPMG LLP, to the members of Centremanor (E.S.) Limited

We have audited the financial statements of Centremanor (E S) Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Directors' Responsibilities Statement set out on page 2, 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 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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.



Report of the joint independent auditors, Cohen Arnold and KPMG LLP, to the members of Centremanor (E.S.) Limited *(continued)*

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

WEJ Holland (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square
London
E14 5GL
United Kingdom

21 July 2010

Joshua Neumann (Senior Statutory Auditor)
for and on behalf of Cohen Arnold, Statutory Auditor

Chartered Accountants

New Burlington House
1075 Finchley Road
London NW11 0PU

21 July 2010

Profit and loss account
for the year ended 31 December 2009

	<i>Note</i>	2009 £	2008 £
Financing charges receivable	2	2,550,000	2,550,000
Administrative expenses		(1,000)	(1,000)
Interest payable	3	(2,550,000)	(2,550,000)
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation	<i>4,10</i>	(1,000)	(1,000)
		<hr/>	<hr/>

There were no recognised gains or losses in the current or previous year other than those disclosed above

All the company's activities are continuing

There is no difference between the results as stated and the results on a historic cost basis in either the current or previous year

Balance sheet
at 31 December 2009

	<i>Note</i>	2009 £	2008 £
Current assets			
Debtors			
Amounts falling due within one year	5	2	2
Amounts falling due after more than one year	6	30,000,000	30,000,000
		<u>30,000,002</u>	<u>30,000,002</u>
Creditors: amounts falling due within one year	7	(451,143)	(450,143)
		<u>29,548,859</u>	<u>29,549,859</u>
Net current assets			
Creditors amounts falling due after more than one year	8	(30,000,000)	(30,000,000)
		<u>(451,141)</u>	<u>(450,141)</u>
Net liabilities			
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	(451,143)	(450,143)
		<u>(451,141)</u>	<u>(450,141)</u>
Equity shareholders' deficit	11	(451,141)	(450,141)
		<u>(451,141)</u>	<u>(450,141)</u>

These financial statements were approved by the board of the directors on 28 May 2010 and were signed on its behalf by


BSE Freshwater
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards

The financial statements have been prepared on the going concern basis, notwithstanding the company's net liabilities, which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Centremanor Limited, the company's immediate parent undertaking. Centremanor Limited has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available.

This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. 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.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Taxation

Current

Provision is made for consideration payable to or receivable from other group undertakings for the surrender of losses under group relief provisions.

Deferred

Deferred tax is provided in accordance with Financial Reporting Standard No 19 (FRS 19). Under FRS 19 full provision is made in respect of all timing differences that have originated but not reversed by 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 deferred tax assets are recognised to the extent that they are considered recoverable.

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

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement (in accordance with Financial Reporting Standard No 1 (revised 1996)) on the grounds that it is a wholly owned subsidiary undertaking of an immediate holding company registered in England and Wales which prepares consolidated financial statements that include a consolidated cash flow statement.

Related party transactions

The company has taken advantage of the exemption in FRS 8 Related Party Disclosures in order to dispense with the requirement to disclose transactions with other Centremanor Limited group companies.

Notes (continued)

2 Financing charges receivable

	2009 £	2008 £
Group finance charges receivable	2,550,000	2,550,000

3 Interest payable

	2009 £	2008 £
Loans terminating after more than five years	2,550,000	2,550,000

4 Loss on ordinary activities before and after taxation

	2009 £	2008 £
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Loss on ordinary activities before and after taxation is stated after charging

Auditors' remuneration for audit services	1,000	1,000
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The directors of the company did not receive any emoluments from the company during the year or during the previous year

Apart from the directors, there were no other employees during the year or during the previous year

5 Debtors: amounts falling due within one year

	2009 £	2008 £
Sundry debtors	2	2

Notes (continued)

6 Debtors: amounts falling due after more than one year

	2009 £	2008 £
Amount due from fellow subsidiary undertaking	30,000,000	30,000,000

The advance, which bears interest at variable rates, was made to Metropolitan Properties Company Limited and is repayable on demand or upon the repayment of the mortgage advance in 2022

7 Creditors: amounts falling due within one year

	2009 £	2008 £
Amount due to immediate parent undertaking	25,143	24,143
Interest payable	425,000	425,000
Other creditors and accruals	1,000	1,000
	<u>451,143</u>	<u>450,143</u>

8 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Mortgage advance	30,000,000	30,000,000
The above amount is further analysed as follows		
	Interest	£
Mortgage advance repayable in 2022	8 5%	30,000,000

The mortgage advance is secured by first legal charges over freehold and leasehold investment and trading properties owned by certain fellow subsidiary undertakings, together with floating charges over the assets and undertakings of the company and of the aforementioned fellow subsidiary undertakings and unlimited guarantees given by the company's immediate parent undertaking and two of its subsidiary undertakings

Notes (continued)

9 Called up share capital

	2009 £	2008 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

10 Profit and loss account

	£
At 31 December 2008	(450,143)
Loss for the financial year	(1,000)
	<u> </u>
At 31 December 2009	(451,143)
	<u> </u>

11 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Loss for the financial year	(1,000)	(1,000)
	<u> </u>	<u> </u>
Net increase in shareholders' deficit	(1,000)	(1,000)
Opening shareholders' deficit	(450,141)	(449,141)
	<u> </u>	<u> </u>
Closing shareholders' deficit	(451,141)	(450,141)
	<u> </u>	<u> </u>

12 Ultimate parent undertaking

The parent undertaking of the largest and smallest group of undertakings for which group financial statements are drawn up is Centremanor Limited, a company registered in England and Wales

Copies of these financial statements can be obtained from the following address Freshwater House, 158/162 Shaftesbury Avenue, London WC2H 8HR

The ultimate parent undertaking is Linnet Limited, a company incorporated in the Isle of Man and controlled by trusts