

Allinity Limited

---

Registered No 3628256

## Allinity Limited

### Report and Financial Statements

31 December 2009

WEDNESDAY



\*AVH82NTC\*

A73

29/09/2010

196

COMPANIES HOUSE

Allinity Limited

Registered No 3628256

**Directors**

T W Burt  
M S McVeigh  
N P Grossman

**Secretary**

N P Grossman

**Auditors**

Ernst & Young LLP  
Apex Plaza  
Forbury Road  
Reading  
Berkshire  
RG1 1YE

**Registered Office**

The Mansion House  
Benham Valence  
Speen  
Newbury  
Berkshire RG20 8LU

## Directors' report

The directors present their annual report on the affairs of the company together with the financial statements for the year ended 31 December 2009

### Results and dividends

During the period the company has not traded and the directors do not envisage that the company will not trade in the foreseeable future

### Directors and their interests

The directors who served during the year were as follows

D P Franklin (resigned 30 September 2009)

T W Burt

M S McVeigh

N P Grossman

None of the directors who held office at the end of the financial period had any disclosable interest in the shares of the company

None of the directors had any interest in the ordinary shares of the company. T W Burt, M S McVeigh and N P Grossman are also directors of 2e2 Holdings Limited, the company's ultimate holding company, and their interests in the share capital of that company are disclosed in its financial statements

### Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report


### Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditors

A resolution to reappoint Ernst Young LLP as auditors will be put to the members at the Annual General Meeting

By order of the board

TW Burt 

Director

30 July 2010

## Statement of directors' responsibilities

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 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<sup>1</sup>

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 auditors' report**

### **to the members of Allinity Limited**

We have audited the financial statements of Allinity Ltd for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 7. 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 auditors**

As explained more fully in the Statement of Directors' Responsibilities 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). These standards require us to comply with the Auditing Practice's 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 and parent 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 2009 and of its result 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.

## **Independent auditors' report**

**to the members of Allinity Limited**

### **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

*Ernst + Young LLP*

Kevin Harwin (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Reading

Date *30 July 2010*

## Profit and loss account

for the year ended 31 December 2009

	<i>Year ended 31 December 2009</i>	<i>Year ended 31 December 2008</i>
	<i>£</i>	<i>£</i>
<b>Turnover</b>	-	-
Cost of sales	-	-
	<hr/>	<hr/>
<b>Gross profit</b>	-	-
Administrative expenses	-	-
	<hr/>	<hr/>
<b>Operating profit</b>	-	-
Interest receivable and similar income	-	-
Interest payable and similar charges	-	-
	<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	-	-
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>
<b>Profit for the financial year</b>	-	-
Dividends	-	-
	<hr/>	<hr/>
Retained profit for the year	-	-
	<hr/>	<hr/>

All results arise from continuing operations

The company has not traded during the year or the preceding year. During these years, the company received no income and incurred no expenses and therefore made neither profit or loss.

## Balance Sheet

at 31 December 2009

		<i>Year ended 31 December 2009</i>	<i>Year ended 31 December 2008</i>
	<i>Note</i>	<i>£</i>	<i>£</i>
<b>Current assets</b>			
Debtors	3	897,894	897,894
<b>Creditors</b> amounts falling due within one year		—	—
<b>Net current assets</b>		897,894	897,894
<b>Net assets</b>		897,894	897,894
<b>Capital and Reserves</b>			
Called up share capital	4	4,692	4,692
Share Premium	5	77,878	77,878
Capital redemption reserve	5	1,224	1,224
Profit and loss account	5	814,100	814,100
<b>Equity shareholders' funds</b>		897,894	897,894

Approved by the board

TW Burt  
Director



30 July 2010



## Notes to the accounts

at 31 December 2009

### 1. Accounting policies

#### *Accounting convention*

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

#### *Basis of accounting*

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

### 2. Directors' Emoluments

For the current year directors emoluments have been borne by fellow group company 2e2 Holdings Limited. 2e2 Holdings Limited charges 2e2 Group Limited a management fee which incorporates directors' emoluments. Further details of the director emoluments. Further details of the director emoluments are disclosed in the accounts of 2e2 Holdings Limited.

### 3. Debtors

	<i>Year ended 31 December 2009 £</i>	<i>Year ended 31 December 2008 £</i>
Amounts owed by group undertakings	897,894	897,894

### 4. Authorised and issued share capital

<i>Authorised</i>	<i>2009 No</i>	<i>2008 No</i>	<i>2009 £</i>	<i>2008 £</i>
Ordinary shares of £1 each	9,900	9,900	9,900	9,900
Preference shares of £0.10 each	1,000	1,000	100	100
	<u>2008 No</u>	<u>2007 No</u>	<u>2008 £</u>	<u>2007 £</u>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	4,600	4,600	4,600	4,600
Preference shares of £0.10 each	920	920	92	92

### 5. Reconciliation of movement in shareholders' funds

	<i>Share Capital £</i>	<i>Capital redemption reserve £</i>	<i>Share premium account £</i>	<i>Profit and loss account £</i>	<i>Total £</i>
At 31 December 2008 and 31 December 2009	4,692	1,224	77,878	814,100	897,894

There were no movements on any of the reserves during the year

## Notes to the accounts

at 31 December 2009

### 6. Financial commitments

#### Cross Guarantee

On 10 October 2008, the company entered into a cross guarantee in the amount of £165,000,000, in favour of its bankers in respect of the borrowings of the group

Following the acquisition of Morse plc by 2e2 Ltd on 21 June 2010, the company entered into a cross guarantee on 21 June 2010 for the amount of £85,000,000, in favour of certain investors

### 7. Ultimate parent undertaking and controlling party

The immediate parent company of Allinity Limited is 2e2 Property Group Limited (formally Compel Group Limited), a company incorporated in the United Kingdom. The ultimate holding company and controlling party is 2e2 Holdings Limited, a company incorporated in the United Kingdom.

The smallest and largest undertaking into which the results of the company are consolidated is 2e2 Group Limited. Copies of financial statements for 2e2 Group Limited can be obtained from the company's registered office at The Mansion House, Benham Valence, Newbury, Berkshire RG20 8LU.

The company has not disclosed related party transactions with group entities as permitted by the exemption under Financial Reporting Standard No. 8.