

## NORTHACRE LAND LIMITED



### Directors' Report And Financial Statements For the year ended 28 February 2009

Company Registration No. 3672498 (England And Wales)

# NORTHACRE LAND LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	J.R.G. Hunter K.B. Nilsson M.K. Santilale
<b>Secretary</b>	J.R.G. Hunter
<b>Company number</b>	3672498
<b>Registered office</b>	Eight Albion Riverside 8 Hester Road London SW11 4AX
<b>Auditors</b>	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
<b>Bankers</b>	The Royal Bank of Scotland 29 Old Brompton Road London SW7 3JE

---

# NORTHACRE LAND LIMITED

## CONTENTS

---

	<b>Page</b>
Directors' report	1
Independent auditors' report	2 - 3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 9

---

# NORTHACRE LAND LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 28 FEBRUARY 2009

---

The directors present their report and financial statements for the year ended 28 February 2009.

### **Principal activities and review of the business**

The principal activity of the company throughout the year was that of property development.

### **Results and dividends**

The results for the year are set out on page 4.

### **Directors**

The following directors have held office since 1 March 2008:

J.R.G. Hunter  
K.B. Nilsson  
M.K. Santilale

### **Auditors**

In accordance with the company's articles, a resolution proposing that Kingston Smith LLP be reappointed as auditors of the company will be put at a General Meeting.

### **Directors' responsibilities**

The directors are responsible for preparing 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.

### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



M.K. Santilale

Director

23/12/2009

# NORTHACRE LAND LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NORTHACRE LAND LIMITED

---

We have audited the financial statements of Northacre Land Limited for the year ended 28 February 2009 set out on pages 4 to 9. 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 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**

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.

# NORTHACRE LAND LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF NORTHACRE LAND LIMITED

---

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 2009 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.

*Kingston Smith LLP*

Kingston Smith LLP

Chartered Accountants  
Registered Auditors

*24 December 2009*

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

# NORTHACRE LAND LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 28 FEBRUARY 2009

	Notes	2009 £	2008 £
Administrative expenses		(531)	(4,035)
<b>Operating loss</b>	<b>2</b>	(531)	(4,035)
Other interest receivable and similar income	3	24	24
<b>Loss on ordinary activities before taxation</b>		(507)	(4,011)
Tax on loss on ordinary activities	4	-	-
<b>Loss for the year</b>	<b>8</b>	(507)	(4,011)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# NORTHACRE LAND LIMITED

## BALANCE SHEET AS AT 28 FEBRUARY 2009

	Notes	2009 £	£	2008 £	£
<b>Current assets</b>					
Debtors	5	2,036,713		2,037,912	
Cash at bank and in hand		27		835	
		<u>2,036,740</u>		<u>2,038,747</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(2,460,209)</u>		<u>(2,461,709)</u>	
<b>Net liabilities</b>			<u>(423,469)</u>		<u>(422,962)</u>
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss account	8		<u>(423,471)</u>		<u>(422,964)</u>
<b>Shareholders' funds</b>	9		<u>(423,469)</u>		<u>(422,962)</u>

Approved by the Board and authorised for issue on 23/12/2009

  
M.K. Santilale  
Director

  
K.B. Nilsson  
Director

Company Registration No. 3672498



# NORTHACRE LAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2009

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The Company and Group currently meet their day-to-day working capital requirements partly through monies loaned from the Northacre PLC Directors Retirement and Death Benefits Scheme, partly from the Group's bankers and partly from other loans. The Directors expect the facilities currently agreed to remain in place for the foreseeable future and to be renewed on equally favourable terms in due course. In particular:

(i) One of the loans due to Northacre PLC Directors Retirement and Death Benefit Scheme of £750,000 is not repayable until July 2013.

(ii) Two further loans of £275,000 each, from the Northacre PLC Directors Retirement and Death Benefit Scheme and from a third party are not repayable until the return of equity and/or realisation of profit share from one specific project, which is not expected to occur before August 2010.

(iii) The Group's bankers have agreed facilities until 28 February 2010.

The Directors have prepared detailed cash flow projections for the period ended 31st August 2010 making reasonable assumptions about the levels and timings of income and expenditure, and in particular the timing of receipt of certain fees due from major developments. These projections show that the Group can operate within the current available facilities. On this basis the Directors consider it appropriate to prepare the financial statements on the going concern basis.

At 28 February 2009, the Company's balance sheet shows net liabilities of £423,469 (2008: £422,962) and the Company is making operating losses, which suggests that the going concern basis may not be appropriate. The Company has received assurances from its parent, Northacre plc, that it will continue to support the Company in all of its working capital requirements until at least 12 months from the date of signing of these accounts. The Directors of Northacre plc have prepared projected cash flow information, which suggests that it has the capacity to support the Company. On this basis, the Directors consider it appropriate to prepare the financial statements on the going concern basis.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Deferred taxation

In accordance with FRS 19, deferred tax is recognised as a liability or asset if transactions or events that give the company the obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date.

### 2 Operating loss

	2009	2008
	£	£
Operating loss is stated after charging:		
Auditors' remuneration	500	4,000

# NORTHACRE LAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2009

<b>3 Investment income</b>	<b>2009 £</b>	<b>2008 £</b>
Bank interest	24	24
	<u>24</u>	<u>24</u>

<b>4 Taxation</b>	<b>2009</b>	<b>2008</b>
<b>Current tax charge</b>	-	-

### Factors affecting the tax charge for the year

Loss on ordinary activities before taxation	(507)	(4,011)
---	-------	---------

Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 30.00%)

(142)	(1,203)
-------	---------

Effects of:

Group relief	142	1,203
--------------	-----	-------

142	1,203
-----	-------

### Current tax charge

-	-
---	---

The company has estimated losses of £ 34,630 (2008 - £ 34,630) available for carry forward against future trading profits.

<b>5 Debtors</b>	<b>2009 £</b>	<b>2008 £</b>
Amounts owed by parent and fellow subsidiary undertakings	2,036,713	2,037,912

<b>6 Creditors: amounts falling due within one year</b>	<b>2009 £</b>	<b>2008 £</b>
Amounts owed to parent and fellow subsidiary undertakings	2,457,709	2,457,709
Accruals and deferred income	2,500	4,000
	<u>2,460,209</u>	<u>2,461,709</u>

# NORTHACRE LAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2009

<b>7 Share capital</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £1 each	2	2
	<u>          </u>	<u>          </u>
 <b>8 Statement of movements on profit and loss account</b>		
		<b>Profit and loss account £</b>
Balance at 1 March 2008		(422,964)
Loss for the year		(507)
		<u>          </u>
Balance at 28 February 2009		(423,471)
		<u>          </u>
 <b>9 Reconciliation of movements in shareholders' funds</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(507)	(4,011)
Opening shareholders' funds	(422,962)	(418,951)
	<u>          </u>	<u>          </u>
Closing shareholders' funds	(423,469)	(422,962)
	<u>          </u>	<u>          </u>

### 10 Contingent liabilities

The company and its parent company and fellow trading subsidiaries have given an unlimited guarantee and debenture secured on the assets of the group to its bankers in respect of a facility arrangement. At the balance sheet date the net amount owed to the bank was £nil.

### 11 Employees

#### Number of employees

There were no employees during the year apart from the directors.

# NORTHACRE LAND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2009

---

### **12 Control**

The company is a wholly owned subsidiary of Northacre PLC, a company registered in England and Wales. Copies of the group financial statements are available from Eight Albion Riverside, 8 Hester Road, London SW11 4AX.

### **13 Related party transactions**

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.