

COMPANY REGISTRATION NUMBER 04003725

VINEMEAD LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30th APRIL 2011

THURSDAY



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COMPANIES HOUSE

BREBNERS
Chartered Accountants & Statutory Auditor
Tubs Hill House
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Sevenoaks
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VINEMEAD LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 30th APRIL 2011

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VINEMEAD LIMITED
THE DIRECTORS' REPORT
YEAR ENDED 30th APRIL 2011

The directors present their report and the financial statements of the company for the year ended 30th April 2011

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was property development

DIRECTORS

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

J Clerkin
A Morris

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 year.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 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.

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.

VINEMEAD LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30th APRIL 2011

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors



ALAN MORRIS
Company Secretary

Approved by the directors on 29/05/12

VINEMEAD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VINEMEAD LIMITED

YEAR ENDED 30th APRIL 2011

We have audited the financial statements of Vinemead Limited for the year ended 30th April 2011 on pages 5 to 10. 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 shareholders, 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 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

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 and express an opinion on 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

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 circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the director, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION, DISCLAIMER ON VIEW GIVEN BY THE FINANCIAL STATEMENTS

In forming our opinion on the financial statements we have considered the adequacy of the disclosures made in the financial statements concerning the following matters:

- the correct carrying value of the land and work in progress of £4,513,607 shown in note 8 to the accounts
- whether the preparation of the financial statements on a going concern basis as referred to in note 1 remains appropriate

Because of the potential significance, to the financial statements, of the combined effect of the matters referred to above, we are unable to form an opinion as to whether 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 30th April 2011 and of its result for the period then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been properly prepared in accordance with the Companies Act 2006

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

Notwithstanding our disclaimer of an opinion on the view given by the financial statements, 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.

VINEMEAD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VINEMEAD LIMITED *(continued)*

YEAR ENDED 30th APRIL 2011

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In respect solely of the limitation of our work referred to above

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

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



MARTIN WIDDOWSON (Senior
Statutory Auditor)
For and on behalf of
BREBNEERS
Chartered Accountants
& Statutory Auditor

Tubs Hill House
London Road
Sevenoaks
Kent
TN13 1BL

29/5/12

VINEMEAD LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30th APRIL 2011

		2011 £	2010 £
TURNOVER	Note 2	855,151	1,791,250
Cost of sales		<u>790,705</u>	<u>1,598,528</u>
GROSS PROFIT		64,446	192,722
Administrative expenses		156,079	171,650
Other operating income	3	<u>(223,067)</u>	<u>(319,457)</u>
OPERATING PROFIT	4	131,434	340,529
Interest payable and similar charges	6	<u>140,564</u>	<u>194,393</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(9,130)	146,136
Tax on (loss)/profit on ordinary activities	7	<u>-</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(9,130)</u>	<u>146,136</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 7 to 10 form part of these financial statements

VINEMEAD LIMITED

BALANCE SHEET

30th APRIL 2011

	Note	2011 £	£	2010 £	£
CURRENT ASSETS					
Stocks	8	4,513,607		5,267,523	
Debtors	9	27,881		11,763	
		<u>4,541,488</u>		<u>5,279,286</u>	
CREDITORS: Amounts falling due within one year	10	<u>7,028,178</u>		<u>7,756,846</u>	
NET CURRENT LIABILITIES			(2,486,690)		(2,477,560)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,486,690)</u>		<u>(2,477,560)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	12		1		1
Profit and loss account	13		(2,486,691)		(2,477,561)
DEFICIT	14		<u>(2,486,690)</u>		<u>(2,477,560)</u>

These financial statements were approved by the directors and authorised for issue on 29/05/12, and are signed on their behalf by

J CLERKIN
Director

A MORRIS
Director

Company Registration Number 04003725

The notes on pages 7 to 10 form part of these financial statements.

VINEMEAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th APRIL 2011

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

Going concern

The company made a loss after tax of £9,130 in the year to 30th April 2011 and the balance sheet shows a deficiency of assets of £2,486,690 at that date

The development property shown in note 8 is complete and comprises a number of units. The remaining properties are available for sale and are being actively marketed.

The company's principal source of finance is a bank loan referred to in note 10 to the accounts. The facility formally expired in July 2010 and has been transferred to Ireland's government backed National Asset Management Agency (NAMA). The directors have been working with NAMA in order to have these facilities formally renewed and are confident of its renewal under similar terms and therefore they consider the going concern basis to be appropriate.

The company's only significant working capital requirement is the interest on these loans which are currently being added to the capital amount and subject to repayment from the sale of any units and the sales and marketing expenditure required to realise these units.

The directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. For these reasons the accounts have been prepared on the going concern basis.

The accounts do not include any write down in the carrying value of the work-in-progress were the going concern basis not found to be appropriate.

Cash flow statement

The directors have taken advantage of the exemption in the Financial Reporting Standard No. 1 from including a cash flow statement in the financial statements on the grounds that the company qualifies as small.

Turnover

Turnover represents development property which comprises units sold where legal completion has taken place.

Work in progress

Land and work in progress is valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the normal course of business less selling costs. Cost includes professional fees and sundry overheads and capitalised interest on specific financing.

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.

VINEMEAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th APRIL 2011

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>855,151</u>	<u>1,791,250</u>

3. OTHER OPERATING INCOME

	2011 £	2010 £
Rent receivable	<u>223,067</u>	<u>319,457</u>

4. OPERATING PROFIT

Operating profit is stated after charging

	2011 £	2010 £
Auditor's remuneration - as auditor	<u>5,500</u>	<u>5,000</u>

5. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Interest payable on bank borrowing	<u>140,564</u>	<u>194,393</u>

7. TAXATION ON ORDINARY ACTIVITIES

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 21% (2010 - 28%)

	2011 £	2010 £
(Loss)/profit on ordinary activities before taxation	<u>(9,130)</u>	<u>146,136</u>
(Loss)/profit on ordinary activities by rate of tax	(1,917)	40,918
Unprovided deferred tax asset	1,838	(42,597)
Permanent timing difference	<u>79</u>	<u>1,679</u>
Total current tax	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The company has tax losses of £50,844 available to carry forward against future years profits. A deferred tax asset has not been provided due to the uncertainty over the timing of recovery.

VINEMEAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th APRIL 2011

8. STOCKS

	2011 £	2010 £
Work in progress	<u>4,513,607</u>	<u>5,267,523</u>

Land and work in progress is valued at the lower of cost and net realisable value and consists of the purchase cost of land, labour, materials and professional fees

9. DEBTORS

	2011 £	2010 £
Trade debtors	21,951	—
Corporation tax repayable	5,930	5,930
Other debtors	—	5,833
	<u>27,881</u>	<u>11,763</u>

10. CREDITORS: Amounts falling due within one year

	2011 £	2010 £
Bank loans	4,851,384	5,634,355
Trade creditors	10,263	16,489
Amounts owed to group undertakings	2,079,456	2,079,456
Other creditors	5,905	5,905
Accruals and deferred income	81,170	20,641
	<u>7,028,178</u>	<u>7,756,846</u>

The bank loan is secured by a fixed charge on the land and work in progress and a floating charge over the assets and undertakings of the company

11. RELATED PARTY DISCLOSURES

At the 30th April 2011 the company was under the control of Howard Holdings Plc, a company registered in England and Wales. This company is in liquidation. The directors are unaware where ultimate control vests. At 30th April 2011 an amount of £322,588 (2010, £322,588) was due to Howard Holdings Plc.

At 30th April 2011 an amount of £44,773 (2010, £44,773) was due to Fleetglade Limited and £1,712,095 (2010, £1,712,095) was due to Howard Developments Limited in respect of funds advanced in previous years, both of whom are wholly owned subsidiaries of Howard Holdings plc. A winding up order has been made against Fleetglade Limited and the company is currently in liquidation.

During the year management fees of £18,475 (2010, £62,822) were paid to Clowater Investments Limited, a company in which J Clerkin and A Morris are directors and have interests.

12. SHARE CAPITAL

Allotted, called up and fully paid:

	2011 No	£	2010 No	£
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

VINEMEAD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30th APRIL 2011

13. PROFIT AND LOSS ACCOUNT

	2011 £	2010 £
Balance brought forward	(2,477,561)	(2,623,697)
(Loss)/profit for the financial year	<u>(9,130)</u>	<u>146,136</u>
Balance carried forward	<u>(2,486,691)</u>	<u>(2,477,561)</u>

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
(Loss)/Profit for the financial year	(9,130)	146,136
Opening shareholders' deficit	<u>(2,477,560)</u>	<u>(2,623,696)</u>
Closing shareholders' deficit	<u>(2,486,690)</u>	<u>(2,477,560)</u>

15. ULTIMATE PARENT COMPANY

Following the dissolution of Rushbrook Property plc, whom the directors believe to be the parent undertaking of Howard Holdings PLC, on 1st October 2010, the directors are unaware of the identity of the ultimate parent undertaking