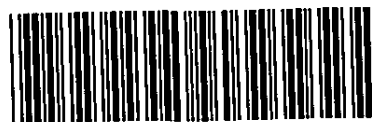


REGISTERED NUMBER: 04604119 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011
FOR
COUNTYWIDE J9 M6 (NO.2) LIMITED**

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COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

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for the year ended 30 September 2011

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COUNTYWIDE J9 M6 (NO.2) LIMITED

COMPANY INFORMATION

for the year ended 30 September 2011

DIRECTORS:

A C Gallagher
G H Gosling

SECRETARY:

S A Burnett

REGISTERED OFFICE:

15 Hockley Court
Stratford Road
Hockley Heath
Solihull
West Midlands
B94 6NW

REGISTERED NUMBER:

04604119 (England and Wales)

AUDITORS:

BDO LLP
125 Colmore Row
Birmingham
B3 3SD

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

REPORT OF THE DIRECTORS
for the year ended 30 September 2011

The directors present their report with the financial statements of the company for the year ended 30 September 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property investment

REVIEW OF BUSINESS

The company owns 68,000 square feet of retail space which was fully let throughout the year

The management of the business and the execution of the company's strategy are subject to a number of risks

The key business risks and uncertainties affecting the company are considered to relate to changes in the UK property investment market, movements in property rental yield and changes to UK interest rates. Further information is provided in the Countywide group's annual report which does not form part of this report

Given the nature of the business as disclosed in these financial statements, where maximising rental income and the capital values of its investment property represents the key objectives, the company's directors are of the opinion that analysis using additional KPIs is not necessary for understanding the performance or position of the business

Both the results for the year, and the year-end financial position were satisfactory. The directors consider future prospects to be satisfactory

DIVIDENDS

No dividends have been paid for the year ended 30 September 2011 (2010: £nil)

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2010 to the date of this report

A C Gallagher
G H Gosling

FINANCIAL RISK MANAGEMENT

The company's operations expose it to a variety of financial risks that include the effects of credit, liquidity and interest rate risks. The directors actively monitor these risks and the potential costs

The credit rating of property tenants is regularly assessed and changes in the risk profile are managed

The company utilises a mixture of bank and group funding designed to ensure it has sufficient working capital available. Floating interest rates are reviewed and swapped for fixed rates where appropriate to reduce exposure to adverse interest rate fluctuations

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

REPORT OF THE DIRECTORS
for the year ended 30 September 2011

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



G H Gosling - Director

Date 11 April 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COUNTYWIDE J9 M6 (NO.2) LIMITED

We have audited the financial statements of Countywide J9 M6 (No 2) Limited for the year ended 30 September 2011 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses and the related notes. 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 a Report of the Auditors 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 three, 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 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements 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 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 30 September 2011 and of its profit 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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COUNTYWIDE J9 M6 (NO.2) LIMITED

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

BDO LLP

Mark Anslow (Senior Statutory Auditor)
for and on behalf of BDO LLP, statutory auditor
125 Colmore Row
Birmingham
B3 3SD

Date 11 April 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC 305127)

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2011

	Notes	30 9 11 £	30 9 10 £
TURNOVER		2,796,775	851,378
Cost of sales		<u>(143,066)</u>	<u>(101,104)</u>
GROSS PROFIT		2,653,709	750,274
Administrative expenses		<u>(140,544)</u>	<u>(11,365)</u>
OPERATING PROFIT	3	2,513,165	738,909
Interest receivable and similar income		-	24
Interest payable and similar charges	4	<u>(1,422,401)</u>	<u>(1,878,767)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		1,090,764	(1,139,834)
Tax on profit/(loss) on ordinary activities	5	<u>(471,299)</u>	<u>144,010</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>619,465</u>	<u>(995,824)</u>

CONTINUING OPERATIONS

All of the company's activities relate to continuing operations

The notes form part of these financial statements

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 30 September 2011

	30 9 11 £	30 9 10 £
PROFIT/(LOSS) FOR THE FINANCIAL YEAR	619,465	(995,824)
Revaluation of freehold investment property	<u>5,739,147</u>	<u>17,492,026</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>6,358,612</u></u>	<u><u>16,496,202</u></u>

NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

The notes form part of these financial statements

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

BALANCE SHEET
30 September 2011

	Notes	30 9 11 £	30 9 10 £
FIXED ASSETS			
Tangible assets	6	<u>58,400,000</u>	<u>52,683,056</u>
CURRENT ASSETS			
Debtors	7	3,464,612	3,331,533
Cash at bank		<u>-</u>	<u>28,229</u>
		3,464,612	3,359,762
CREDITORS			
Amounts falling due within one year	8	<u>(24,319,972)</u>	<u>(24,857,960)</u>
NET CURRENT LIABILITIES		<u>(20,855,360)</u>	<u>(21,498,198)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		37,544,640	31,184,858
CREDITORS			
Amounts falling due after more than one year	9	(22,650,448)	(22,646,924)
PROVISIONS FOR LIABILITIES	11	<u>(49,972)</u>	<u>(52,326)</u>
NET ASSETS		<u>14,844,220</u>	<u>8,485,608</u>
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Revaluation reserve	13	20,959,901	15,220,754
Profit and loss account	13	<u>(6,115,683)</u>	<u>(6,735,148)</u>
TOTAL SHAREHOLDERS' FUNDS	15	<u>14,844,220</u>	<u>8,485,608</u>

The financial statements were approved by the Board of Directors on 11 April 2012 and were signed on its behalf by


G H Gosling - Director

The notes form part of these financial statements

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by revaluation of investment properties in accordance with applicable Accounting Standards in the United Kingdom. In order to show a true and fair view, the company's accounting policy in respect of investment properties departs from the requirement of the Companies Act 2006. Details of this departure are given below. A summary of the more important accounting policies, which have been applied consistently in both periods, is set out below.

Cash flow statement

The company is a wholly-owned subsidiary of Countywide Developments Limited and is included in the consolidated accounts of Countywide Developments Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised) - 'Cash flow statements'.

Turnover

Turnover represents rental income receivable, service charges and other recoveries from investment properties in the United Kingdom.

In circumstances where a tenant has been given an incentive to enter into a lease by way of a payment the incentive is included in other debtors and treated as a reduction in rental income. It is amortised on a straight line basis over the period from term commencement to the date of the first rent review in accordance with UITF 28. Similarly, where an incentive is given to a tenant by way of a rent free period the total rental income receivable for the period to the first rent review is recognised on a straight line basis from term commencement to the date of the first rent review in accordance with UITF 28.

Cost of sales

Cost of sales represents expenses relating to the servicing of property and collection of rental income.

Deferred tax

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation at the current rate of tax. Deferred tax assets are recognised if their utilisation is considered more likely than not. Deferred tax is not provided on the revaluation of investment property unless there is a binding commitment to sell the asset.

Investment property

Until investment properties are completed they are included in the financial statements at cost. Once completed open market valuations are performed on annual basis. The valuations are incorporated into these financial statements with the resulting revaluation adjustments taken to the revaluation reserve.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The directors consider that, because these properties are not held for consumption but for their investment potential, to depreciate them would be inappropriate. The accounting policy adopted is therefore necessary for the accounts to give a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot reasonably be separately identified or quantified.

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
- continued for the year ended 30 September 2011

1 ACCOUNTING POLICIES - continued

Amortisation of loan issue costs

Costs incurred in respect of obtaining loan finance are disclosed against the bank loan creditor and the costs are amortised on a straight-line basis over the term of the loan

Going concern

Notwithstanding the fact that at 30 September 2011 the company had net current liabilities, the accounts have been prepared on a going concern basis as the company has received confirmation from Countywide Developments Limited and Countywide J9M6 Limited that they will not call for repayment of their inter company loans until the company has sufficient funds to repay them

2 STAFF COSTS

There were no direct staff costs for the year ended 30 September 2011 (2010 none) However, £Nil (2010 £1,366) was payable to J J Gallagher Limited, a related company, for the service of individuals who had performed work on behalf of Countywide J9 M6 (No 2) Limited

The average monthly number of employees during the year was as follows

	30 9 11 Number	30 9 10 Number
Directors	<u>2</u>	<u>2</u>

3 OPERATING PROFIT

The operating profit is stated after charging

	30 9 11 £	30 9 10 £
Auditors' remuneration	<u>1,500</u>	<u>1,500</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 9 11 £	30 9 10 £
Bank interest	1,068,822	1,672,578
Interest payable on loans from group undertakings	350,055	202,665
Amortisation of loan issue costs	<u>3,524</u>	<u>3,524</u>
	<u>1,422,401</u>	<u>1,878,767</u>

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
- continued for the year ended 30 September 2011

5 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	30 9 11	30 9 10
	£	£
Current tax	473,653	(144,203)
Group relief	(2,354)	193
Deferred tax		
Tax on profit/(loss) on ordinary activities	<u>471,299</u>	<u>(144,010)</u>

The current corporation tax charge/(credit) differs from the standard UK corporation tax rate applied to the profit/(loss) for the year. The differences are

	30 9 11	30 9 10
	£	£
Profit/(loss) on ordinary activities at the standard rate of 27% (2010 28%)	294,506	(319,153)
Expenses not deductible for tax purposes	180,791	177,082
Capital allowances in excess of depreciation	<u>(1,644)</u>	<u>(2,131)</u>
	<u>473,653</u>	<u>(144,203)</u>

The amount of tax on the capital gain which would have become payable in the event of the sale of the investment property for the amount at which it is stated in Note 6 is in the region of £2,900,000 (2010 £2,600,000)

6 TANGIBLE FIXED ASSETS

	Freehold investment property £
COST OR VALUATION	
At 1 October 2010	52,683,056
Additions	66,504
Revaluations	5,739,147
Reclassification/transfer to profit and loss	<u>(88,707)</u>
At 30 September 2011	<u>58,400,000</u>
NET BOOK VALUE	
At 30 September 2011	<u>58,400,000</u>
At 30 September 2010	<u>52,683,056</u>

The carrying value of fixed asset properties was reviewed by the directors in accordance with the group's accounting policy

The historic cost of tangible fixed assets is £37,440,100 (2010 £37,462,303)

Freehold investment properties are held for letting

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
- continued for the year ended 30 September 2011

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 11	30 9 10
	£	£
Trade debtors	234,865	22,986
VAT	-	175,000
Prepayments and accrued income	<u>3,229,747</u>	<u>3,133,547</u>
	<u>3,464,612</u>	<u>3,331,533</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 11	30 9 10
	£	£
Trade creditors	3,800	123,438
Amounts owed to group undertakings	23,734,667	23,939,703
Other creditors	82,551	444,000
Accruals and deferred income	<u>498,954</u>	<u>350,819</u>
	<u>24,319,972</u>	<u>24,857,960</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 9 11	30 9 10
	£	£
Bank loans (see note 10)	<u>22,650,448</u>	<u>22,646,924</u>

The bank loan is on normal commercial terms and is secured by a fixed and floating charge over the assets of the company. Associated interest is payable at a mixture of fixed rates ranging from 5.5% to 6.46%. The loan apportioned to the company amounting to £22million is repayable in full in 2013.

The company is a joint borrower and party to an £80 million bank loan facility of which £64,025,000 has been drawn, with Countywide J9 M6 Limited and Wednesbury & Sandwell Properties Limited. The loan is secured on the property held by these companies and those held by Countywide J9 M6 (No 2) Limited. When Wednesbury & Sandwell Properties Limited surrendered its leasehold interest in Phase I of the Gallagher Retail Park, Wednesbury to Countywide J9 M6 (No 2) Limited, it also terminated its interest in the bank loan.

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
- continued for the year ended 30 September 2011

10 LOANS

An analysis of the maturity of loans is given below

	30 9 11 £	30 9 10 £
Amounts falling due between one and two years		
Bank loans	22,655,000	-
Deferred issue costs	<u>(4,552)</u>	<u>-</u>
	<u>22,650,448</u>	<u>-</u>
Amounts falling due between two and five years		
Bank loans	-	22,655,000
Deferred issue costs	<u>-</u>	<u>(8,076)</u>
	<u>-</u>	<u>22,646,924</u>

11 PROVISIONS FOR LIABILITIES

	30 9 11 £	30 9 10 £
Deferred tax – accelerated capital allowances	<u>49,972</u>	<u>52,326</u>

	Deferred tax £
Balance at 1 October 2010	52,326
Accelerated capital allowances	1,522
Rate change charge	<u>(3,876)</u>
Balance at 30 September 2011	<u>49,972</u>

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	30 9 11 £	30 9 10 £
2	Ordinary		<u>2</u>	<u>2</u>

COUNTYWIDE J9 M6 (NO.2) LIMITED
(REGISTERED NUMBER: 04604119)

NOTES TO THE FINANCIAL STATEMENTS
- continued for the year ended 30 September 2011

13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 October 2010	(6,735,148)	15,220,754	8,485,606
Profit for the year	619,465	-	619,465
Revaluation	-	5,739,147	5,739,147
	<u>(6,115,683)</u>	<u>20,959,901</u>	<u>14,844,218</u>
At 30 September 2011	<u>(6,115,683)</u>	<u>20,959,901</u>	<u>14,844,218</u>

14 RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption in FRS 8 - 'Related party disclosures', not to disclose transactions with other group companies, as it is a wholly owned subsidiary within a consolidated group

During the year ended 30 September 2011, the company paid £Nil (2010 £1,727,848) on infrastructure and construction costs and £Nil (2010 £2,613) on project management fees to Gallagher Projects Limited, a company controlled by Mr A C Gallagher

Other than as disclosed in note 2 and above there are no other related party disclosures to be made concerning the year ended 30 September 2011 (2010 None)

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 9 11 £	30 9 10 £
Profit/(loss) for the financial year	619,465	(995,824)
Other recognised gains and losses relating to the year (net)	<u>5,739,147</u>	<u>17,492,026</u>
Net addition to shareholders' funds	6,358,612	16,496,202
Opening shareholders' funds	<u>8,485,608</u>	<u>(8,010,594)</u>
Closing shareholders' funds	<u>14,844,220</u>	<u>8,485,608</u>

16 CONTROLLING PARTY

Countywide J9 M6 (No 2) Limited is a wholly owned subsidiary of Countywide Developments Limited (incorporated in England and Wales) The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of the entire share capital of the parent undertaking