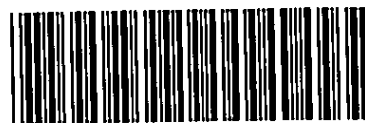


REGISTERED NUMBER: 04604119 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012
FOR
COUNTYWIDE J9 M6 (NO.2) LIMITED**

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for the year ended 30 September 2012**

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COUNTYWIDE J9 M6 (NO.2) LIMITED

COMPANY INFORMATION

for the year ended 30 September 2012

DIRECTORS:

A C Gallagher
G H Gosling

SECRETARY:

S A Burnett

REGISTERED OFFICE:

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

REGISTERED NUMBER:

04604119 (England and Wales)

AUDITORS:

BDO LLP
125 Colmore Row
Birmingham
B3 3SD

REPORT OF THE DIRECTORS
for the year ended 30 September 2012

The directors present their report with the financial statements of the company for the year ended 30 September 2012

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 2012 (2011: £Nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2011 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.

REPORT OF THE DIRECTORS
for the year ended 30 September 2012

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

19 March 2013

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 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

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 2012 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
125 Colmore Row
Birmingham
B3 3SD

Date **22/03/13**

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

PROFIT AND LOSS ACCOUNT
for the year ended 30 September 2012

	Notes	30 9 12 £	As restated 30 9 11 £
TURNOVER		2,419,909	2,494,139
Cost of sales		<u>(96,703)</u>	<u>(143,066)</u>
GROSS PROFIT		2,323,206	2,351,073
Administrative expenses		<u>(1,513)</u>	<u>(140,544)</u>
OPERATING PROFIT	3	2,321,693	2,210,529
Interest receivable and similar income		<u>24</u>	<u>-</u>
		2,321,717	2,210,529
Interest payable and similar charges	4	<u>(1,388 244)</u>	<u>(1,422,401)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		933,473	788,128
Tax on profit on ordinary activities	5	<u>(387,585)</u>	<u>(389,587)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>545,888</u></u>	<u><u>398,541</u></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 2012**

	30 9 12 £	As restated 30 9 11 £
PROFIT FOR THE FINANCIAL YEAR	545,888	398,541
Revaluation of the freehold investment property	<u>(7,636,183)</u>	<u>5,739,147</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(7,090,295)	6,137,688
Prior year adjustment	<u>(220 924)</u>	<u>-</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u>(7,311,219)</u>	<u>6,137,688</u>

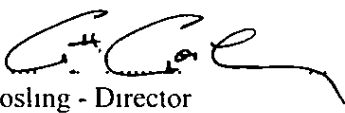
NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

COUNTYWIDE J9 M6 (NO.2) LIMITED (REGISTERED NUMBER: 04604119)**BALANCE SHEET****30 September 2012**

	Notes	30 9 12 £	30 9 11 £
FIXED ASSETS			
Tangible assets	6	50,770,000	58,400,000
CURRENT ASSETS			
Debtors	7	2,983,295	3,243,688
Cash at bank		<u>120,625</u>	<u>-</u>
		3,103,920	3,243,688
CREDITORS			
Amounts falling due within one year	8	<u>(46,293,881)</u>	<u>(24,319,972)</u>
NET CURRENT LIABILITIES		<u>(43,189,961)</u>	<u>(21,076,284)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,580,039	37,323,716
CREDITORS			
Amounts falling due after more than one year	9	-	(22,650,448)
PROVISIONS FOR LIABILITIES	11	<u>(47,038)</u>	<u>(49,972)</u>
NET ASSETS		<u>7,533,001</u>	<u>14,623,296</u>
CAPITAL AND RESERVES			
Called up share capital	12	2	2
Revaluation reserve	13	13,323,718	20,959,901
Profit and loss account	13	<u>(5,790,719)</u>	<u>(6,336,607)</u>
TOTAL SHAREHOLDERS' FUNDS	15	<u>7,533,001</u>	<u>14,623,296</u>

The financial statements were approved by the Board of Directors on 19 March 2013 and were signed on its behalf by


G H Gosling - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 September 2012

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.

Basis of preparing the financial statements

The financial statements have been prepared on a going concern basis with the directors considering the cash flows for the company arising from the rental inflows, operating costs, property development projects and financing activities in the current market conditions.

In the ordinary course of business the company's bank loan facility has been renewed on acceptable terms to the company since the year end. Accordingly, the directors believe that it is appropriate to prepare the financial statements of the company on a going concern basis.

Going concern

Notwithstanding the fact that at 30 September 2012 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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

1 ACCOUNTING POLICIES - continued

Investment property

Until investment properties are completed they are included in the accounts 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.

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.

2 STAFF COSTS

There were no direct staff costs for the year ended 30 September 2012 (2011: none).

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

	30 9 12 Number	30 9 11 Number
Directors	<u>2</u>	<u>2</u>

3 OPERATING PROFIT

The operating profit is stated after charging:

	30 9 12 £	30 9 11 £
Auditors' remuneration	<u>1,500</u>	<u>1,500</u>
Directors' remuneration	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 9 12	30 9 11
	£	£
Bank interest	1,044,494	1,068,822
Interest payable on loans from group undertakings	340,226	350,055
Amortisation of loan issue costs	<u>3,524</u>	<u>3,524</u>
	<u>1,388,244</u>	<u>1,422,401</u>

5 TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	30 9 12	As restated 30 9 11
	£	£
Current tax		
UK corporation tax	6,479	-
Group relief	<u>384,040</u>	<u>391,941</u>
Total current tax	390,519	391,941
Deferred tax	<u>(2,934)</u>	<u>(2,354)</u>
Tax on profit on ordinary activities	<u>387,585</u>	<u>389,587</u>

The current corporation tax charge differs from the standard UK corporation tax rate applied to the profit for the year. The differences are

	30 9 12	30 9 11
	£	£
Profit on ordinary activities at the standard rate of 25% (2011 27%)	233,368	212,794
Expenses not deductible for tax purposes	152,254	180,791
Capital allowances in excess of depreciation	(1,157)	(1,644)
Other timing differences	<u>6,054</u>	<u>-</u>
	<u>390,519</u>	<u>391,941</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 £467,000 (2011 £2,900,000)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

6 TANGIBLE FIXED ASSETS

	Freehold investment property £
COST OR VALUATION	
At 1 October 2011	58,400,000
Additions	6,183
Revaluations	<u>(7,636,183)</u>
At 30 September 2012	<u>50,770,000</u>
NET BOOK VALUE	
At 30 September 2012	<u>50,770,000</u>
At 30 September 2011	<u>58,400,000</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 £37,446,282 (2011 £37,440,100)

Freehold investment properties are held for letting

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 12 £	As restated 30 9 11 £
Trade debtors	699,674	234,865
Prepayments and accrued income	<u>2,283,621</u>	<u>3,008,823</u>
	<u>2,983,295</u>	<u>3,243,688</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 9 12 £	30 9 11 £
Bank loans and overdrafts (see note 10)	22,653,972	-
Trade creditors	7,076	3,800
Amounts owed to group undertakings	22,795,858	23,734,667
Corporation tax	6,479	-
Other creditors	-	82,551
Accruals and deferred income	<u>830,496</u>	<u>498,954</u>
	<u>46,293,881</u>	<u>24,319,972</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 9 12	30 9 11
	£	£
Bank loans (see note 10)	<u>-</u>	<u>22,650,448</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 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 and a cross guarantee with both companies. When Wednesbury & Sandwell Properties Limited surrendered its leasehold interest in Phase I of the Gallagher Retail Park, Wednesbury to the company, it also terminated its interest in the bank loan.

The loan apportioned to the company amounting to £22.655 million is repayable in full in 2013.

10 LOANS

An analysis of the maturity of loans is given below:

	30 9 12	30 9 11
	£	£
Amounts falling due within one year or on demand		
Bank loans	22,655,000	-
Deferred issue costs	<u>(1,028)</u>	<u>-</u>
	<u>22,653,972</u>	<u>-</u>
Amounts falling due between one and two years		
Bank loans	-	22,655,000
Deferred issue costs	<u>-</u>	<u>(4,552)</u>
	<u>-</u>	<u>22,650,448</u>

11 PROVISIONS FOR LIABILITIES

	30 9 12	30 9 11
	£	£
Deferred tax	<u>47,038</u>	<u>49,972</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

11 PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 October 2011	49,972
Accelerated capital allowances	1,064
Rate change charge	<u>(3,998)</u>
Balance at 30 September 2012	<u>47,038</u>

12 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	30 9 12 £	30 9 11 £
2	Ordinary		<u>2</u>	<u>2</u>

13 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1 October 2011 (as restated)	(6,336,607)	20,959,901	14,623,294
Profit for the year	545,888	-	545,888
Revaluation	<u>-</u>	<u>(7,636,183)</u>	<u>(7,636,183)</u>
At 30 September 2012	<u>(5,790,719)</u>	<u>13,323,718</u>	<u>7,532,999</u>

An accounting adjustment has been necessary to more accurately reflect a rent incentive offered in a prior year. This results in a £220,924 increase in current year profits, being an increase in turnover of £302,636 and an increase in taxation of £81,712. There is no effect on cumulative results or cash.

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.

There are no other related party disclosures to be made concerning the year ended 30 September 2012 (2011: None).

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

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 September 2012

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 9 12	As restated 30 9 11
	£	£
Profit for the financial year	545,888	398,541
Other recognised gains and losses relating to the year (net)	<u>(7,636,183)</u>	<u>5,739,147</u>
Net (reduction)/addition to shareholders' funds	(7,090,295)	6,137,688
Opening shareholders' funds	<u>14,623,296</u>	<u>8,485,608</u>
Closing shareholders' funds	<u>7,533,001</u>	<u>14,623,296</u>

Opening shareholders funds were £14,844,220 before deducting the prior year adjustment of £220,924

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