

OLDVINE LIMITED
REPORT AND FINANCIAL STATEMENTS
30 NOVEMBER 2008



**OLDVINE LIMITED
DIRECTORS' REPORT
YEAR ENDED 30 NOVEMBER 2008**

The directors present their report and the financial statements for the year ended 30 November 2008

PRINCIPAL ACTIVITY

The principal activity of the company is property investment

DIRECTORS

The directors who served during the year were as follows

B S Anderson (resigned 15 June 2009)
P C Kasch
J C McMahon
S A J Nahun
G C Sellar (resigned 30 January 2009)
M R Turner

A J N Hewitt was appointed a director on 30 January 2009 and resigned on 20 May 2009 G J McCabe was appointed a director on 2 June 2009

AUDITORS

The auditors, Horwath Clark Whitehill LLP will retire at the forthcoming Annual General Meeting and offer themselves for re-appointment

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

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

By Order of the Board


P C Kasch

Director

OLDVINE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). 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.

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
OLDVINE LIMITED**

We have audited the financial statements of Oldvine Limited for the year ended 30 November 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders 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 judgments 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. However the evidence available to us was limited because we have not been able to confirm the recoverability of the £51,715,199 loans to subsidiary undertakings and the £30,598,331 of amounts owed by group undertakings (see notes 4 and 5 respectively).

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities. In common with many other businesses of this size and nature, the company uses our firm to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
OLDVINE LIMITED (CONTINUED)**

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence of recoverability of the loans to subsidiary undertakings and the amounts owed by group undertakings indicated above, in our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 November 2008 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

In respect of the limitation on our work relating to the recoverability of the loans to subsidiary undertakings and the amounts owed by group undertakings we have not obtained all the information and explanations that we considered necessary for the purpose of our audit

Emphasis of matter – Going Concern

In forming our opinion, which is not qualified in this respect, we have considered the adequacy of the disclosure made in note 1a concerning the preparation of the financial statements on the going concern basis


HORWATH CLARK WHITEHILL LLP

Chartered Accountants and Registered Auditors

London

7 April 2010

OLDVINE LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 NOVEMBER 2008

	Notes	2008 £	2007 £
TURNOVER		-	(17,414)
Administrative expenses		<u>(147,115)</u>	<u>(591,379)</u>
OPERATING LOSS	2	(147,115)	(608,793)
Movement in investments provision	4	697,233	
Interest payable and similar charges		(89,863)	-
Other interest receivable and similar income		<u>148,211</u>	<u>258,463</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		608,466	(350,330)
Tax on profit/(loss) on ordinary activities	3	<u>(4,187,455)</u>	<u>(74,059)</u>
LOSS FOR THE FINANCIAL YEAR		(3,578,989)	(424,389)
Profit and loss account brought forward		<u>(282,917)</u>	<u>141,472</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u>(3,861,906)</u>	<u>(282,917)</u>

The profit and loss account contains all the gains and losses recognised in the current year and previous year. The loss for the financial year is the only movement in shareholders' funds during those years.

The related notes 1 to 10 form part of these financial statements.

OLDVINE LIMITED
BALANCE SHEET
30 NOVEMBER 2008

	Notes	2008 £	2007 £
FIXED ASSETS			
Investment in subsidiary undertakings	4	<u>52,491,331</u>	<u>51,794,098</u>
CURRENT ASSETS			
Debtors	5	<u>30,656,642</u>	<u>32,033,003</u>
Cash at bank and in hand		<u>2,737,495</u>	<u>4,729,005</u>
		33,394,137	36,762,008
CREDITORS · amounts falling due within one year	6	<u>(69,497,374)</u>	<u>(68,589,023)</u>
NET CURRENT LIABILITIES		<u>(36,103,237)</u>	<u>(31,827,015)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>16,388,094</u>	<u>19,967,083</u>
CAPITAL AND RESERVES			
Called up share capital	7	<u>20,250,000</u>	<u>20,250,000</u>
Profit and loss account		<u>(3,861,906)</u>	<u>(282,917)</u>
SHAREHOLDERS' FUNDS		<u>16,388,094</u>	<u>19,967,083</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved and authorised for issue by the board on 6 April 2010 and were signed on its behalf by



P C KASCH

Director

The related notes 1 to 10 form part of these financial statements.

OLDVINE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 NOVEMBER 2008

1. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements are prepared under the historic cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the going concern basis

In preparing the financial statements on the going concern basis the directors have paid due regard to the recoverability of loans to subsidiary undertakings and amounts owed by group undertakings (see notes 4 and 5 respectively) and the contingent liability as detailed in note 10

The company has taken advantage of the exemption from preparing group financial statements conferred by section 248 of the Companies Act 1985, thus the financial statements present information about the company only and not of its group

b) Investment in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost, less provision for any impairment in value

2. OPERATING LOSS

	2008	2007
	£	£
Is arrived at after charging		
Auditors' remuneration - audit fees	25,000	30,000
Directors' emoluments	-	-

3. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

Provision for receipts from fellow group undertakings in respect of losses to be surrendered (see note 8)	3,653,112	-
Corporation tax		
- Current year (see below)	-	74,059
- Under-provision in respect of prior years	534,343	-
	4,187,455	74,059

Factors affecting the tax charge for the year:

The corporation tax charge for the year is different than the standard rate of corporation tax. The differences are explained below

Profit/(loss) on ordinary activities before taxation	608,466	(350,330)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax	174,429	(105,099)
Transfer pricing adjustments	183,556	273,366
Permanent differences	42,173	-
Group relief	(200,282)	-
Investment provision movement	(199,876)	-
Losses claimed	-	(94,208)
	-	74,059

OLDVINE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 30 NOVEMBER 2008

4. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	Equity £	Loans £	Total £
Cost			
1 December 2007 and 30 November 2008	<u>3,975,232</u>	<u>51,715,199</u>	<u>55,690,431</u>
Provision			
1 December 2007	3,896,333	-	3,896,333
Movement for year	<u>(697,233)</u>	<u>-</u>	<u>(697,233)</u>
30 November 2008	<u>3,199,100</u>	<u>-</u>	<u>3,199,100</u>
Net book value:			
30 November 2008	<u>776,132</u>	<u>51,715,199</u>	<u>52,491,331</u>
<i>30 November 2007</i>	<u><i>78,899</i></u>	<u><i>51,715,199</i></u>	<u><i>51,794,098</i></u>

At 30 November 2008 the company had the following subsidiary undertakings all of which are wholly owned

	Profit for the Year Ended 30 November 2008 After Taxation £	Capital and Reserves at 30 November 2008 £
Dunwilco (1054) Limited ("D1054")	29,264	49,576
Dunwilco (1021) Limited ("D1021")	2,888,145	3,674,749
Brookridge Properties Limited ("BPL")	716,405	776,132
Unicycle L P ("Unicycle")	28,696	50,359,865
Cross Autonomy Limited ("CAL")		

The principal activity of D1021 and D1054 is the holding of the entire limited and general partnership interests in Unicycle, a partnership registered in Delaware, USA whose principal activity is property investment

The principal activity of BPL is that of property investment

The company directly owns D1054, D1021, BPL and CAL and indirectly owns Unicycle via its interests in D1054 and D1021. The results and net assets of Unicycle are reflected in the table above within D1054 and D1021.

OLDVINE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 30 NOVEMBER 2008

5. DEBTORS	2008	2007
	£	£
Amounts owed by group undertakings (note 8)	30,598,331	<i>31,552,334</i>
Other debtors	58,311	<i>480,669</i>
	<u>30,656,642</u>	<i><u>32,033,003</u></i>
 6. CREDITORS:		
amounts falling due within one year		
Amounts owed to group undertakings (note 8)	68,612,627	<i>68,092,238</i>
Corporation tax	608,412	<i>74,059</i>
Other creditors	276,335	<i>422,726</i>
	<u>69,497,374</u>	<i><u>68,589,023</u></i>
 7. SHARE CAPITAL		
Authorised, allotted, called up and fully paid		
8,118,750 Ordinary 'A' shares of £1 each	8,118,750	<i>8,118,750</i>
8,118,750 Ordinary 'B' shares of £1 each	8,118,750	<i>8,118,750</i>
1,012,500 Ordinary 'C' shares of £1 each	1,012,500	<i>1,012,500</i>
3,000,000 Ordinary 'D' shares of £1 each	3,000,000	<i>3,000,000</i>
	<u>20,250,000</u>	<i><u>20,250,000</u></i>

The rights of all the categories of £1 Ordinary shares are identical

OLDVINE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 30 NOVEMBER 2008

8. RELATED PARTY TRANSACTIONS

a Non group undertakings

P C Kasch is a member of Catalyst Capital LLP ("Catalyst") £Nil (2007 £110,333) of asset management fees and £ (2007 £94,932) of monitoring fees payable to Catalyst accrued during the year and these amounts are included within other creditors at 30 November 2008

B S Anderson is a director of Uberior Ventures Limited ("Uberior"), a subsidiary undertaking of the Bank of Scotland ("BOS") All amounts disclosed in the accounts which relate to bank interest and bank balances are in respect of the BOS

b Group undertakings

The full names for the entities referred to in this section are detailed in note 4

Amounts owed by group undertakings (note 5) is analysed as follows	2008 £	<i>2007</i> £
CS291	18,670,122	<i>15,979,155</i>
D1054	106,810	<i>106,501</i>
D1021	11,821,399	<i>11,813,566</i>
CAL	-	<i>3,653,112</i>
	<u>30,598,331</u>	<i><u>31,552,334</u></i>

Amounts owed to group undertakings (note 6)
is analysed as follows

CS292	323	<i>280</i>
BPL	776,133	<i>752,228</i>
Unicycle	67,836,171	<i>67,339,730</i>
	<u>68,612,627</u>	<i><u>68,092,238</u></i>

During the year the following payments were recorded in respect of group relief surrendered to the following entities (note 3)

CAL	<u>3,653,112</u>	<i><u>-</u></i>
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OLDVINE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 30 NOVEMBER 2008

8. RELATED PARTY TRANSACTIONS (CONTINUED)

The following long-term loans (see note 4) were outstanding from group undertakings at the beginning and end of the year	2008 £	<i>2007</i> £
D1021	51,198,047	<i>51,198,047</i>
D1054	517,152	<i>517,152</i>
	<u>51,715,199</u>	<i><u>51,715,199</u></i>

In addition to the above the company processes transactions on a day to day basis through its bank account on behalf of Unicycle and BPL. Unicycle and BPL do not have bank accounts of their own.

9. ULTIMATE PARENT UNDERTAKING

Continental Shelf 291 Limited ("CS 291") is the company's immediate and ultimate parent undertaking.

CS 291 does not prepare consolidated financial statements.

10. CONTINGENT LIABILITY

The corporation tax liabilities and associated accrued interest of Cross Autonomy Limited ("CAL", see note 4) in respect of certain previous accounting periods remain unpaid. At 30 November 2008 the total amount of such liabilities and accrued interest outstanding was approximately £6,400,000. Subsequent to that date none of the amounts outstanding have been settled and interest has continued to accrue on those amounts.

HMRC have advised CAL that they are considering the provisions of Section 190 of TCGA 1992 in respect of the amounts outstanding such that a notice requiring payment of the unpaid amounts may be served upon the company and accordingly there exists a contingent liability for the company.
