

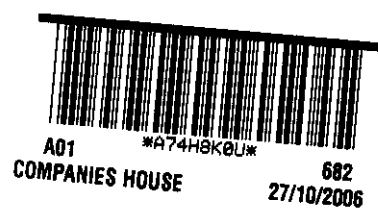
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**LXB Properties (Thetford) Limited**

Report and Financial Statements

Year Ended

31 December 2005



**BDO**  
BDO Stoy Hayward  
Chartered Accountants

# **LXB Properties (Thetford) Limited**

## **Annual report and financial statements for the year ended 31 December 2005**

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### **Directors**

T P Walton  
N B T Alford

### **Secretary and registered office**

I M Hollocks, 6 Cavendish Place, London, W1G 9NB

### **Company number**

4825182

### **Auditors**

BDO Stoy Hayward LLP, Emerald House, East Street, Epsom Surrey, KT17 1HS

## **LXB Properties (Thetford) Limited**

### **Report of the directors for the year ended 31 December 2005**

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The directors present their report together with the audited financial statements for the year ended 31 December 2005.

#### **Results and dividends**

The profit and loss account is set out on page 5 and shows the loss for the year.

The directors do not recommend the payment of a final dividend.

#### **Principal activities, review of business and future developments**

The principal activity of the company is that of property investment in the United Kingdom.

The directors are satisfied with the performance of the company during the year under review and do not anticipate any significant change in future activities.

There have been no events since the balance sheet date that materially affect the position of the company.

#### **Directors**

The directors of the company during the year were:

T P Walton  
N B T Alford

No director had any interest in the share capital of the company during or at the end of the period.

At 31 December 2005, the interests of Messrs Walton and Alford in the share capital of the ultimate parent company, LXB Smallco Limited, are disclosed in the financial statements of that company.

#### **Directors' responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 estimates that are reasonable and prudent; and
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

**LXB Properties (Thetford) Limited**

**Report of the directors for the year ended 31 December 2005 (*Continued*)**

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**Auditors**

BDO Stoy Hayward LLP have indicated their willingness to continue in office.

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**



I M Hollocks  
Secretary

Date: 23 October 2006

## **LXB Properties (Thetford) Limited**

### **Independent auditor's report**

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#### **To the shareholders of LXB Properties (Thetford) Limited**

We have audited the financial statements of LXB Properties (Thetford) Limited for the year ended 31 December 2005 on pages 5 to 13. These financial statements have been prepared under the accounting policies set out on pages 8 to 9.

#### *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 have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if 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.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *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.

*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 31 December 2005 and of its loss for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.

  
**BDO STOY HAYWARD LLP**  
*Chartered Accountants  
and Registered Auditors*  
Epsom

Date: 23 October 2006

**LXB Properties (Thetford) Limited**

**Profit and loss account for the year ended 31 December 2005**

	Note	Year ended 31 December 2005 £	Period ended 31 December 2004 £
Turnover	1	92,184	59,769
Direct property costs		4,779	5,977
		<hr/>	<hr/>
Gross profit and operating profit		87,405	53,792
Net cost of financing	5	(120,131)	(124,099)
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation for the financial year/period	11	(32,726)	(70,307)
		<hr/>	<hr/>

All amounts relate to continuing activities.

The notes on pages 8 to 13 form part of these financial statements.

**LXB Properties (Thetford) Limited**

**Statement of total recognised gains and losses for the year ended 31 December 2005**

	Note	Year ended 31 December 2005 £	Period ended 31 December 2004 £
Loss for the financial year/period		<b>(32,726)</b>	(70,307)
Unrealised surplus on revaluation of investment properties	11	<b>23,850</b>	46,028
		<hr/>	<hr/>
<b>Total recognised gains and losses for the financial year/period</b>		<b>(8,876)</b>	<b>(24,279)</b>
		<hr/>	<hr/>

The notes on pages 8 to 13 form part of these financial statements.



**LXB Properties (Thetford) Limited**

**Balance sheet at 31 December 2005**

	Note	31 December 2005 £	31 December 2005 £	31 December 2004 £	31 December 2004 £
<b>Fixed assets</b>					
Investment properties	7		1,900,000		1,800,000
<b>Current assets</b>					
Debtors	8	-		1,916	
<b>Creditors: amounts falling due within one year</b>	9	<u>1,885,792</u>		<u>1,826,194</u>	
<b>Net current liabilities</b>			<u>(1,885,792)</u>		<u>(1,824,278)</u>
<b>Total assets less current liabilities</b>			<u>14,208</u>		<u>(24,278)</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		1
Share premium account	11		47,361		-
Revaluation reserve	11		69,878		46,028
Profit and loss account	11		<u>(103,033)</u>		<u>(70,307)</u>
<b>Shareholder's funds/(deficit)</b>	12		<u>14,208</u>		<u>(24,278)</u>

The financial statements were approved by the board of directors and authorised for issue on 23 October 2006.

  
T P Walton  
Director

The notes on pages 8 to 13 form part of these financial statements.

**1 Accounting policies**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and in accordance with applicable accounting standards. The financial statements are in compliance with the Companies Act 1985 except that, as explained below, investment properties are not depreciated.

The following principal accounting policies have been applied:

*Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1, "Cash Flow Statements (Revised 1996)", not to prepare a cash flow statement on the grounds that the company qualifies as a small company under s247 of the Companies Act 1985.

*Turnover*

Turnover arises from activities in the United Kingdom and comprises rents receivable from investment properties.

*Investment properties*

In accordance with Statement of Standard Accounting Practice No. 19, "Accounting for investment properties", completed freehold investment properties are revalued annually to open market value. Investment properties under development are stated at cost, less any provision for diminution in value.

No depreciation is provided on investment properties. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 1985 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

Additions to investment properties include only costs of a capital nature.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account

*Dividends*

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

# **LXB Properties (Thetford) Limited**

**Notes forming part of the financial statements for the year ended 31 December 2005 (Continued)**

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## **1 Accounting policies (continued)**

### *Deferred taxation*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

## **2 Auditors' remuneration**

The auditors' remuneration will be borne by the ultimate parent undertaking (2004 - former fellow group undertaking).

## **3 Employees**

The company employed no staff in the year (2004 - nil).

## **4 Directors' remuneration**

No director received any emoluments from the company during the year (2004 - £nil).

## **5 Net cost of financing**

	<b>Year ended 31 December 2005 £</b>	<b>Period ended 31 December 2004 £</b>
Interest payable on loans from fellow group undertakings	<b>120,131</b>	<b>124,099</b>

**LXB Properties (Thetford) Limited****Notes forming part of the financial statements for the year ended 31 December 2005 (Continued)**

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**6 Taxation on loss on ordinary activities**

The tax assessed for the year varies from the standard rate of corporation tax in the UK. A reconciliation is provided below:

	Year ended 31 December 2005 £	Period ended 31 December 2004 £
Loss on ordinary activities before tax	(32,726)	(70,307)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 30% (2004 - 30%)	(9,818)	(21,092)
Effect of: Group relief surrendered	9,818	21,092
Current tax charge for period	-	-

*Factors that may affect future tax charges*

No provision has been made for deferred tax on unrealised gains on revaluing properties to their market value. The total unprovided amount is £nil (2004: £nil).

# LXB Properties (Thetford) Limited

Notes forming part of the financial statements for the year ended 31 December 2005 (Continued)

## 7 Investment properties

	Completed freehold properties at external valuation £
<i>Cost or valuation</i>	
At 1 January 2005	1,800,000
Additions	76,149
Surplus on revaluation	23,851
	<hr/>
At 31 December 2005	<b>1,900,000</b>
	<hr/>
At 31 December 2004	1,800,000
	<hr/>

At 31 December 2005 the company's investment properties were revalued at £1,900,000 (2004: £1,800,000) on an open market basis by external valuers Colliers CRE plc, Chartered Surveyors. The valuation was undertaken in accordance with the Royal Institute of Chartered Surveyors' Appraisal and Valuation Standards.

The historical cost of the properties is £1,830,122 (2004 - £1,753,972).

At 31 December 2005, the investment properties were held as security by a fixed charge in respect of borrowings provided to another group undertaking.

## 8 Debtors

	31 December 2005 £	31 December 2004 £
Prepayments and accrued income	-	1,916
	<hr/>	<hr/>

All amounts shown under debtors fall due for payment within one year.

**LXB Properties (Thetford) Limited**

**Notes forming part of the financial statements for the year ended 31 December 2005 (Continued)**

**9 Creditors: amounts falling due within one year**

	31 December 2005 £	31 December 2004 £
Amounts owed to group undertakings	1,866,519	1,826,194
Accruals and deferred income	19,273	-
	<u>1,885,792</u>	<u>1,826,194</u>

**10 Share capital**

	31 December 2005 £	Authorised 31 December 2004 £	Allotted, called up and fully paid 31 December 2005 £	Allotted, called up and fully paid 31 December 2004 £
<i>Equity share capital</i>				
Ordinary shares shares of £1 each	1,000	1,000	2	1
	<u>1,000</u>	<u>1,000</u>	<u>2</u>	<u>1</u>

Movements in allotted share capital:

On 29 June 2005 the company issued 1 ordinary share of £1 at a premium of £47,361 for cash.

**11 Reserves**

	Share premium account £	Revaluation reserve £	Profit and loss account £
At 1 January 2005	-	46,028	(70,307)
Revaluation surplus	-	23,850	-
Premium on shares issued during the year	47,361	-	-
Loss for the year	-	-	(32,726)
	<u>47,361</u>	<u>69,878</u>	<u>(103,033)</u>
At 31 December 2005	47,361	69,878	(103,033)

## LXB Properties (Thetford) Limited

Notes forming part of the financial statements for the year ended 31 December 2005 (*Continued*)

### 12 Reconciliation of movements in shareholder's funds/(deficit)

	Year ended 31 December 2005 £	Period ended 31 December 2004 £
Loss for the year	(32,726)	(70,307)
Other net recognised gains and losses relating to the year		
- Unrealised surplus on revaluation of properties	23,850	46,028
Issue of shares	1	1
Premium on shares issued during the year	47,361	-
	<hr/>	<hr/>
Net additions to/(deductions from) shareholder's funds	38,486	(24,278)
Opening shareholder's deficit	(24,278)	-
	<hr/>	<hr/>
Closing shareholder's funds/(deficit)	14,208	(24,278)
	<hr/>	<hr/>

### 13 Related party transactions

The company has taken advantage of the exemption available to wholly owned subsidiary undertakings under Financial Reporting Standard 8, "Related Party Transactions", not to disclose details of all of its related party transactions with other group companies in the year.

In the opinion of the directors there are no other related party transactions to be disclosed.

### 14 Ultimate parent company

Up to 29 June 2005 the company's ultimate parent company was Clickloop Holdings Limited. Effective from 29 June 2005, the company's ultimate and immediate parent company was LXB Smallco Limited, which is incorporated in England and is the parent undertaking of the largest group of which the company is a member. Copies of the consolidated financial statements of LXB Smallco Limited are available from Companies House.