

FUTURE LIVING SPACE LIMITED

COMPANY NUMBER 04940821

DIRECTORS' REPORT

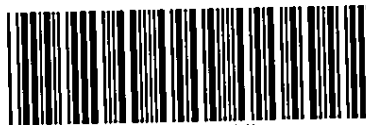
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FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2009

MONDAY



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COMPANIES HOUSE

FUTURE LIVING SPACE LIMITED

FINANCIAL STATEMENTS **For the year ended 31 March 2009**

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FUTURE LIVING SPACE LIMITED

Directors

Matthew Fox
Michael John Lavers Appointed 19 June 2008
James Macnamara Resigned 19 June 2008

Secretary

Bridgehouse Company Secretaries Limited

Registered Office

2 Bridge Avenue
London W6 9JP

Auditor

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

Principal Solicitor

Devonshires
Salisbury House
London Wall
London EC2M 5QY

Principal Banker

Lloyds TSB Bank plc
Hammersmith
London W6 0JL

Registration

Private Company
Limited by shares
Number 4940821

FUTURE LIVING SPACE LIMITED

DIRECTORS' REPORT

The Directors submit their annual report together with the audited financial statements of the company for the year ended 31 March 2009.

ACTIVITIES AND BUSINESS REVIEW

The company's principal activity was to develop property in south London after taking assignment of its parent's interest in the site of the Cheeky Chappie public house in Vassall Road, London SW9. Redevelopment of this site has now been completed with all units sold. The company has no staff of its own and all management and administration is carried out by its parent.

The profit for the year was £NIL (2008: £6,000 Loss as restated – refer Note 11).

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

FUTURE PLANS

The company, having now completed the development of the Cheeky Chappie site and having sold the health centre and all the housing units, will now wind up all remaining activities and close.

HEALTH AND SAFETY

The Board is aware of its responsibilities on all matters relating to health and safety. The company shares the detailed health and safety policies of its parent.

DIRECTORS AND THEIR INTERESTS

The current directors of the company together with the changes during the period and to the date of this report are listed on page 2. None of the directors during the period had an interest in the shares of the company. Both current directors are also directors of the ultimate parent company but neither have any interest in the shares of that organisation.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the accounts 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 enable them to ensure that the financial statements comply with the Companies Acts 1985. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors have taken all the necessary steps to make themselves aware, as directors, of any relevant audit information and to establish that the auditors are aware of that information.

As far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

FUTURE LIVING SPACE LIMITED

DIRECTORS' REPORT (CONTINUED)

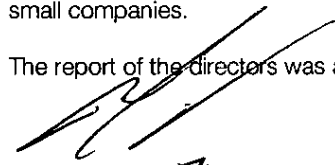
AUDITOR

Elective resolutions to dispense with the holding of annual general meetings, the laying of report and accounts before the company in general meeting and the annual reappointment of the auditors are currently in force. Accordingly, pursuant to section 386 of the Companies Act 1985 ("the Act") the auditors, BDO Stoy Hayward LLP, will be deemed to have been reappointed at the end of the period of 28 days beginning with the day on which copies of this report and accounts are sent to members unless a resolution is passed under section 393 of the Act to the effect that their appointment be brought to an end.

APPROVAL

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

The report of the directors was approved by the Board on 23 July 2009 and signed on its behalf by:



Matthew Fox

Director

FUTURE LIVING SPACE LIMITED

Independent Auditor's Report to the members of Future Living Space Limited

We have audited the financial statements of Future Living Space Limited for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 if, in our opinion, the Directors' Report is 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 Director's 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

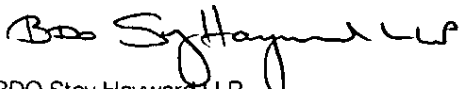
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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. 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 March 2009 and of its results 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 Director's Report is consistent with the financial statements.


BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Epsom, Surrey

Date: 10 August 2009

FUTURE LIVING SPACE LIMITED

PROFIT AND LOSS ACCOUNT For the year ended 31 March 2009

	Notes	2009 £000	2008 £000 Restated
TURNOVER	1	4,538	-
Cost of Sales		(4,512)	(6)
GROSS PROFIT / (LOSS)		26	(6)
Other income		-	-
Administrative expenses	2	(4)	-
Gift Aid to parent undertaking		(62)	-
OPERATING LOSS	3	(40)	(6)
Interest receivable and similar income	4	54	-
Interest payable and similar charges	5	(14)	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(6)
Tax on ordinary activities	6	-	-
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	11	-	(6)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES For the year ended 31 March 2009

	Notes	2009 £000	2008 £000 Restated
Reported profit / (loss) on ordinary activities before taxation		-	(6)
Prior year adjustment	13	202	
TOTAL GAINS AND LOSS RECOGNISED SINCE THE LAST ANNUAL FINANCIAL STATEMENT		202	

All amounts relate to activities that are not continuing. The entity intends to wind up operations and close.

There are no movements in shareholders' funds in the current year apart from the profit for the year.

The notes on pages 8 to 10 form part of these financial statements.

FUTURE LIVING SPACE LIMITED

BALANCE SHEET As at 31 March 2009

	Notes	2009 £000	2008 £000 Restated
CURRENT ASSETS			
Properties developed for outright sale	7	-	3,716
Debtors	8	14	72
Cash at bank and on hand		<u>384</u>	<u>500</u>
		398	4,288
CURRENT LIABILITIES :			
Creditors: Amounts falling due within one year	9	(439)	(4,329)
Net Current Liabilities		<u>(41)</u>	<u>(41)</u>
CAPITAL AND RESERVES			
Called up Share Capital	10	-	-
Profit and loss account in deficit	11	(41)	(41)
		<u>(41)</u>	<u>(41)</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.

The financial statements were approved and authorised for issue by the Board on 23 July 2009 and signed on its behalf by:


Director

The notes on pages 8 to 10 form part of these financial statements

FUTURE LIVING SPACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the applicable accounting standards. The going concern basis of preparation has been adopted on the basis of continued financial support by the parent undertaking.

The company has taken advantage of the simplified reporting requirements for small entities in Part VII of the Companies Act 1985 and so has not prepared a cash flow statement. A group cash flow statement is shown in the consolidated financial statements of the ultimate parent, Servite Houses. The particular accounting policies adopted are described below.

1.1 Capitalisation of interest

Interest on loans to finance specific developments is capitalised to the date of completion of the scheme gross of tax relief.

1.2 Properties developed for outright sale

Properties in the course of development are shown in the accounts at the lower of cost and net realisable value. Cost includes land purchase price, professional fees, capitalised interest, development, and marketing costs. Net realisable value is selling prices less estimated costs to completion and costs of disposal.

1.3 Deferred tax

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen but not reversed by the balance sheet date, unless such provision is not permitted by FRS 19 "Deferred Tax".

1.4 Related party disclosure

The Company has taken advantage of the exemption conferred by FRS 8 "Related party disclosures", not to disclose transactions with members' or investors' of the Group headed by Servite Houses. This is on the grounds that at least 90% of the voting rights in the Company are controlled within that Group and the Company is included in the consolidated financial statements.

1.5 Turnover

Turnover is recognised in the profit and loss account on the completion of the services the company is contracted for and represents amounts receivable for goods and services. Value added taxes are excluded from turnover.

2 DIRECTORS' REMUNERATION

Directors did not receive any remuneration from the company in the year.

3 OPERATING LOSS

The operating loss is stated after charging

	2009 £'000	2008 £'000 Restated
Auditors remuneration – In their capacity as auditors (including VAT)	5	5
	<hr/>	<hr/>

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	2009 £'000	2008 £'000 Restated
Interest receivable	54	-
	<hr/>	<hr/>

FUTURE LIVING SPACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2009

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2009 £'000	2008 £'000 Restated
Interest on loan from parent undertaking	128	328
Interest capitalised in properties developed for sale	(114)	(328)
	<u>14</u>	<u>-</u>

6 TAXATION

No charge to Corporation Tax arises on the results for the year (2008 : nil)

7 PROPERTIES DEVELOPED FOR OUTRIGHT SALE

	2009 Land and Buildings £'000	2008 Land and Buildings £'000 Restated
Cost		
At 1 April	3,716	1,506
Additions	732	2,210
Disposals	(4,448)	-
At 31 March	<u>-</u>	<u>3,716</u>

8 DEBTORS

	2009 £'000	2008 £'000
Other debtors	<u>14</u>	<u>72</u>

9 CREDITORS: Amounts falling due within one year

	2009 £'000	2008 £'000
Accrued Interest	-	2
Bank Loan	-	1,095
Amount due to parent undertaking	366	2,744
Neighbourhood renewal grant repayable	-	118
Taxation and Social Security	-	129
Other Creditors	69	237
Accruals and deferred income	4	4
	<u>439</u>	<u>4,329</u>

10 SHARE CAPITAL

	2009 £	2008 £
Authorised		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

FUTURE LIVING SPACE LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2009

11 PROFIT AND LOSS ACCOUNT

	2009 £'000	2008 £'000 Restated
At 1 April	(41)	(35)
Retained profit (loss) for the year	-	(6)
At 31 March	(41)	(41)

12 ULTIMATE PARENT UNDERTAKING

In the opinion of the directors the ultimate parent undertaking is Servite Houses which is incorporated in the UK and incorporated in England under the Industrial and Provident Societies Act 1965 (No. 12752R). The consolidated accounts of Servite Houses are available to the public and may be obtained from its registered office:

2 Bridge Avenue
Hammersmith
London W6 9JP

13 PRIOR YEAR ADJUSTMENT

	2008 £'000 Restated
Interest payable & similar charges as at 31 March 2008 previously stated	(202)
Adjustment to capitalise interest	202
Interest payable & similar charges as at 31 March 2008 restated	-
Revenue Reserves	
Revenue reserves as at 31 March 2008 as previously stated	(243)
Adjustment to capitalise interest	202
Revenue Reserves as at 31 March 2008 restated	(41)
Properties in the Course of Construction	
Cost and Net Book Value as at 31 March 2008 as previously stated	3,514
Adjustment to capitalise interest	202
Cost and Net Book Value as at 31 March 2008 restated	3,716

The prior year adjustment reflects an error in last years accounts in not capitalising interest that was charged on a loan taken to fund the development costs undertaken by Future Living Space.

The effect of this error is to decrease the interest payable & deficit on ordinary activities after tax by £202K and to increase the Cost of Properties developed for outright sale by £202K. The effect on reserves is to decrease the negative revenue reserve of (£243K) by £202K to be (£41K) as restated.