

# Crossco Limited

## STATUTORY FINANCIAL STATEMENTS

for the year ended

31 October 2009

THURSDAY



A17

\*A90HHLBD\*  
01/07/2010  
COMPANIES HOUSE

433

# Crossco Limited

## DIRECTORS AND PROFESSIONAL ADVISERS

---

### DIRECTORS

J C Barnsley  
L Norman

### SECRETARY

Prima Secretary Limited

### REGISTERED OFFICE

112 Quayside  
St Ann's Wharf  
Newcastle upon Tyne  
NE1 3DX

### AUDITORS

Baker Tilly UK Audit LLP  
2 Whitehall Quay  
Leeds  
LS1 4HG

# Crossco Limited

## DIRECTORS' REPORT

---

The directors submit their report and the financial statements of Crossco Limited for the year ended 31 October 2009

### PRINCIPAL ACTIVITIES

The principal activity of the company is to hold an interest in Limited Partnerships, dealing with the ownership and letting of commercial property

### RESULTS AND DIVIDENDS

The results for the year are on page 5 The directors do not recommend the payment of a dividend (2008 £nil)

### DIRECTORS

The following directors held office during the year

J C Barnsley	(appointed 10 March 2009)
L Norman	(appointed 20 May 2009)
G Noble	(appointed 10 March 2009, resigned 20 May 2009)
D Biesterfield	(resigned 10 March 2009)
I Imrie	(resigned 10 March 2009)

### AUDITORS

A resolution confirming the appointment of Baker Tilly UK Audit LLP Chartered Accountants as auditors will be put to the members at the Annual General Meeting

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption

By order of the board



J C Barnsley  
Director

24 June 2010

# Crossco Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

---

The directors are responsible for preparing the Directors' 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). 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 those financial statements, the directors are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c 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.

## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CROSSCO LIMITED

We have audited the financial statements on pages 5 to 14. 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 sections 495 and 496 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 in an auditor's 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 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 more fully explained in the Directors' Responsibilities Statement set out on page 3, 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 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit

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/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 October 2009 and of its loss 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### 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.

Paul Byrne (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Leeds

25 June 2010

Baker Tilly UK Audit LLP

**Crossco Limited**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 October 2009

---

	<i>Notes</i>	2009 £	2008 £
Administrative expenses		(76,040)	(505)
Operating loss	1	(76,040)	(505)
(Loss)/profit from investments in limited partnerships	4	(397,639)	405,537
Interest receivable and similar income	2	116,383	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(357,296)	405,032
Taxation	3	(135,748)	(116,975)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(493,044)	288,057

The operating profit for the year arises from the company's continuing operations

No separate statement of Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

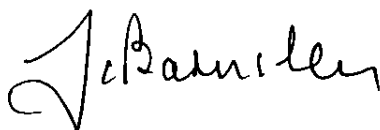
**Crossco Limited**  
**BALANCE SHEET**  
**31 October 2009**

Company Registration No 05073141

	<i>Notes</i>	2009 £	2008 £
<b>FIXED ASSETS</b>			
Investments	4	21,449,000	20,000,100
<b>CURRENT ASSETS</b>			
Debtors	5	14,507,890	1,696,327
Cash at bank and in hand		-	128
		<u>14,507,890</u>	<u>1,696,455</u>
<b>CREDITORS</b> Amounts falling due within one year	6	(23,829,266)	(19,228,841)
<b>NET CURRENT LIABILITIES</b>		<u>(9,321,376)</u>	<u>(17,532,386)</u>
<b>NET ASSETS</b>		<u>12,127,624</u>	<u>2,467,714</u>
<b>CAPITAL AND RESERVES</b>			
Called up equity share capital	7	71,710	100
Share premium	8	10,081,344	-
Profit and loss account	8	1,974,570	2,467,614
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>12,127,624</u>	<u>2,467,714</u>

The financial statements on pages 5 to 14 were approved by the board and authorised for issue on 24 June 2010 and are signed on its behalf by

J C Barnsley  
Director



# Crossco Limited

## ACCOUNTING POLICIES

---

### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards

### BASIS OF PREPARATION

The accounts have been prepared on a going concern basis on the assumption that the company will continue to be supported by its immediate parent undertaking

### BASIS OF CONSOLIDATION

The accounts present information about the company as an individual undertaking and not about its group, as the company has taken advantage of the exemption provided by section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the company's subsidiary may be excluded from consolidation as they are immaterial for purpose of true and fair view (individually and collectively)

### CASH FLOW STATEMENT

The company qualifies as a small company as defined by the Companies Act 2006 and as such, under the provision of Financial Reporting Standard No 1 (revised), 'Cash flow statements', is exempt from the requirements to publish a cash flow statement

### INVESTMENTS

Investments are included in the financial statements at cost. Provision for impairment will be made where necessary

### INVESTMENT INCOME

The company is a limited partner in the partnerships which are held as investments. The limited partners are entitled to a share of profits, in proportion to their capital contributions, once the profits have been attributed to the general partner and the preferred partner, who is entitled to the lower of the attributable profit or 8% of its capital contribution. These amounts are recognised in the period to which they relate

### INTEREST

Interest payable and receivable is recognised in the profit and loss account as it falls due



# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

1	OPERATING PROFIT	2009 £	2008 £
	Operating profit is stated after charging		
	Auditors remuneration	750	-
		<u>          </u>	<u>          </u>
2	INTEREST RECEIVABLE AND SIMILAR INCOME	2009 £	2008 £
	Other income (note 10)	116,383	-
		<u>          </u>	<u>          </u>
		116,383	-
		<u>          </u>	<u>          </u>
3	TAXATION	2009 £	2008 £
	Corporation tax		
	Current year	67,615	116,975
	Prior year	68,133	-
		<u>          </u>	<u>          </u>
	Total current tax	135,748	116,975
		<u>          </u>	<u>          </u>
	Deferred taxation		
	Current year	-	-
		<u>          </u>	<u>          </u>
	Total deferred tax	-	-
		<u>          </u>	<u>          </u>
	Tax on profit on ordinary activities	-	-
		<u>          </u>	<u>          </u>
	Factors affecting the tax charge for the year		
	(Loss)/rofit on ordinary activities before tax	(357,296)	405,032
		<u>          </u>	<u>          </u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28%)	(100,043)	113,409
		<u>          </u>	<u>          </u>
	Effects of		
	Capital transactions	167,658	3,566
	Adjustment to tax charge in respect of previous periods	68,133	-
		<u>          </u>	<u>          </u>
	Current tax charge for the period	135,748	116,975
		<u>          </u>	<u>          </u>

# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

4	INVESTMENTS	<i>Investments in subsidiary undertakings</i> £	<i>Investments in limited partnerships</i> £	<i>Total</i> £
	1 November 2008	100	20,000,000	20,000,100
	Additions	-	1,449,000	1,449,000
	Disposals	(100)	-	(100)
		<hr/>	<hr/>	<hr/>
	31 October 2009	-	21,449,000	21,449,000
		<hr/>	<hr/>	<hr/>

The company owned 100% of the ordinary share capital of Crossco No 3 Unlimited, a company registered in the United Kingdom. This investment was sold during the year.

The company owns a 39% investment in Candama Investors Limited Partnership and a 36% investment in Derandd Investment Partners Limited Partnership and MMO Investors Limited Partnership. The principal activity of these Partnerships is to carry on a commercial property investment business in the United Kingdom.

The company's share of the results from its limited partnership investments was as follows:

	2009 £	2008 £
Candama Investors Limited Partnership	(30,497)	174,924
Derandd Investment Partners Limited Partnership	(367,142)	230,613
MMO Investors Limited Partnership	-	-
	<hr/>	<hr/>
(Loss)/profit from Limited partnership investments	(397,639)	405,537
	<hr/>	<hr/>

5	DEBTORS	2009 £	2008 £
	Amounts owed by limited partnerships	6,485,816	1,695,116
	Amounts owed by related parties	7,913,799	-
	Other debtors	108,275	1,211
		<hr/>	<hr/>
		14,507,890	1,696,327
		<hr/>	<hr/>

# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

6	CREDITORS Amounts falling due within one year	2009 £	2008 £
	Bank overdraft	59,313	-
	Trade creditors	26,069	-
	Corporation tax	252,723	116,975
	Amounts owed to related parties	23,491,161	19,089,043
	Amounts owed to limited partnerships	-	22,823
		<u>23,829,266</u>	<u>19,228,841</u>
7	EQUITY SHARE CAPITAL	2009 £	2008 £
	Authorised		
	20,000,000 Ordinary shares of £1 each	20,000,000	20,000,000
	10,000,000 Deferred Ordinary shares of £0 01 each	100,000	-
		<u>20,100,000</u>	<u>20,000,000</u>
	Allotted, issued and fully paid		
	180 Ordinary shares of £1 each	180	100
	7,152,954 Deferred Ordinary shares of £0 01 each	71,530	-
		<u>71,710</u>	<u>100</u>

On 10 March 2009, the company authorised 10,000,000 Deferred Ordinary Shares of £0 01 each

On 10 March 2009, £7,152,954 of related party loans were converted into 7,152,954 Deferred Ordinary Shares of £0 01 each. The Deferred Ordinary Shares were issued as part of a capitalisation of related party loans.

The Deferred Ordinary shares carry no voting rights and have no rights to dividends or capital payment in the event of a winding up of the company.

On 16 June 2009, 80 new Ordinary shares of £1 each were issued at a premium of £2,999,920.

# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

8	RESERVES	Share	Profit & Loss
		Premium £	Account £
	1 November 2008	-	2,467,614
	Loss for the year	-	(493,044)
	Conversion of debt into Deferred Ordinary share capital	7,081,424	-
	Ordinary share capital issued	2,999,920	-
		<u>          </u>	<u>          </u>
	31 October 2009	10,081,344	1,974,570
		<u>          </u>	<u>          </u>
9	RECONCILIATION OF MOVEMENT IN TOTAL SHAREHOLDERS' FUNDS	2009	2008
		£	£
	Opening shareholders' funds	2,467,714	2,179,657
	(Loss)/profit for the year	(493,044)	288,057
	Ordinary share capital issued	3,000,000	-
	Conversion of debt into Deferred Ordinary share capital	7,152,954	-
		<u>          </u>	<u>          </u>
		12,127,624	2,467,714
		<u>          </u>	<u>          </u>

# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

### 10 RELATED PARTY TRANSACTIONS

During the year ended 31 October 2009, the company undertook the following transactions with its related parties

	Transactions in		Amounts due from		Amounts due to	
	2009	2008	2009	2008	2009	2008
	£	£	£	£	£	£
<b>MNFI Limited Partnership</b>						
Loans received	2,000,000	-	-	-	2,000,000	-
<b>Executors of Michael Noble Estate</b>						
Loans received	9,600,000	-	-	-	21,491,161	-
Loans repaid	44,928	-	-	-	-	-
<b>Golfswing</b>						
Loans received	-	-	-	-	-	7,152,954
Debt converted into Deferred ordinary shares	7,152,954	-	-	-	-	-
<b>MPM</b>						
Loans received	-	-	-	-	-	11,936,089
Loans transferred to Executors of Michael Noble estate	11,936,089	-	-	-	-	-
<b>Birkswell Holdings Limited</b>						
Loans made	7,000,000	-	7,000,000	-	-	-
Interest receivable on loans	116,383	-	116,383	-	-	-
Payments on account	555,000	-	555,000	-	-	-
<b>Jolan Piccadilly Limited</b>						
Payments on account	242,416	-	242,416	-	-	-

J Barnsley, a director, is a limited partner in MNFI Limited Partnership, an executor of Michael Noble Estate and a director of Birkswell Holdings Limited. L Norman, a director, is also a director of Birkswell Holdings Limited and Jolan Piccadilly Limited.

Golfswing converted its debt into Deferred Ordinary Shares during the year and these Shares have subsequently been transferred to the executors of Michael Noble Estate. MPM has during the year transferred its debt to the executors of Michael Noble Estate. Golfswing and MPM were not related parties at the year end.

# Crossco Limited

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 October 2009

During the year ended 31 October 2009, the company undertook the following transactions with the following limited partnerships

	Transactions in		Amounts due from		Amounts due to	
	2009	2008	2009	2008	2009	2008
	£	£	£	£	£	£
<b>Candama Investors LP</b>						
Attributable share of results	(30,497)	174,924	555,050	655,516	-	-
Distributions received	69,969	251,211	-	-	-	-
<b>Derandd Investment Partnership LP</b>						
Attributable share of results	(367,142)	230,613	580,766	1,039,600	-	22,823
Distributions received	68,869	251,132	-	-	-	-
Loans made	5,000,000	-	5,000 000	-	-	-
<b>MMO Investors LP</b>						
Attributable share of results	-	-	-	-	-	-

### 11 ULTIMATE CONTROLLING PARTY

The directors do not consider there to be an ultimate controlling party