

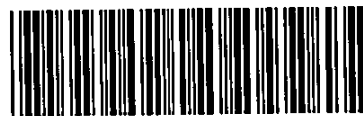
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AHL Langley Trading Limited

Report and Financial Statements

31 December 2010

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COMPANIES HOUSE

AHL Langley Trading Limited

Directors

G P C Mackay
D Orchin

Auditors

Ernst & Young LLP
400 Capability Green
Luton
Beds LU1 3LU

Bankers

The Royal Bank of Scotland Plc
135 Bishopsgate
London EC2M 3UR

Registered Office

400 Capability Green
Luton
Beds LU1 3AE

Directors' report

The directors present their report and financial statements for the period ended 31 December 2010

Principal activities

The principal activity of the company during the period was engagement in development opportunities in the UK affordable housing market

Going concern

The Company's business activities, its performance and position are set out in the directors' report. The Company ultimately relies on the support from principal shareholder for operating costs and the Group bankers for the Group debt facilities (see note 1 to the financial statements). The Directors consider that the continued support from the principal shareholder and the forecasted cash flow will enable the Company to continue to meet its liabilities as they fall due for payment.

Accordingly the Directors continue to adopt the going concern basis in preparing these financial statements

Directors

The directors who served the company during the period were as follows

G P C Mackay

F Newell (resigned 31 March 2011)

D Orchin

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within section 415A of the Companies Act 2006.

On behalf of the Board

D Orchin
Director



18th July 2012

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). 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 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 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 members of AHL Langley Trading Limited

We have audited the financial statements of Langley Trading Limited for the period ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 explained more fully 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 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2010 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 period for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

to the members of AHL Langley Trading Limited

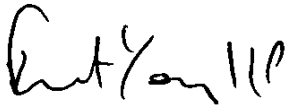
Matters on which we are required to report by exception

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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The conditions described in note 1 indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



A Clewer (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, (Statutory Auditor)
Luton

19/7/12

Profit and loss account

for the period ended 31 December 2010

		<i>18 months ended 31 December 2010</i>	<i>Year ended 30 June 2009</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
Turnover		68,000	–
Cost of Sales		(37,760)	–
Gross profit		30,240	–
Administrative expenses		(46,296)	(51,917)
Other operating income		300,449	191,261
Operating profit	2	284,393	139,344
Interest receivable and similar income		92	875
Interest payable and similar charges	3	(505,991)	(302,193)
Loss on ordinary activities before taxation		(221,506)	(161,974)
Tax on loss on ordinary activities	4	–	10
Loss for the financial period	10	(221,506)	(161,964)

Balance sheet

at 31 December 2010

		31 December 2010	30 June 2009
	Notes	£	£
Current assets			
Properties held for sale		2,330,760	2,368,520
Debtors	5	5,641,486	5,629,957
Cash at bank		38,855	41,420
		<u>8,011,101</u>	<u>8,039,897</u>
Creditors: amounts falling due within one year	6	7,293,046	7,100,336
		<u>718,055</u>	<u>939,561</u>
Net assets			
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	718,054	939,560
		<u>718,055</u>	<u>939,561</u>
Shareholder's funds			
		<u>718,055</u>	<u>939,561</u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 18th July 2012 and were signed on its behalf by

D Orchin
Director



Notes to the financial statements

at 31 December 2010

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Fundamental accounting concept

The Company ultimately relies on the support from principal shareholder for operating costs and the Group bankers for the Group debt facilities

These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern

A letter of support has been issued by the principal shareholder to Assettrust Housing Limited confirming his continued support to the ultimate parent company to meet its operating cash flows. Similar support letters have been issued from Assettrust Housing Limited to Assettrust Housing Investments Limited and from Assettrust Housing Investments Limited to the Company

Bank debt is secured against the Group's property investments which the Directors consider have a market value in excess of the carrying value in the financial statements

The Board of Assettrust Housing Limited has prepared a working capital forecast which shows that the peak borrowing requirement of the Group remains within the headroom of these facilities at all times throughout the 12 months and whilst certain of the Group's facilities expired in October 2011 the principal bank have indicated, subject to the current on demand nature of their facility and assuming that the business continues to perform in line with expectations, they have no current intention to demand repayment within a 12 month period and they continue to support the business in its aims of achieving a refinance or repayment of those facilities within such a timeframe. The Directors consider that this will enable the Company and the Group to continue to meet their liabilities as they fall due for payment.

Over this period the principal sensitivities considered in the forecasts relate to the interest rate relative to LIBOR and the ability of the Group to generate cash from realising property investments via staircasing. The Board of Assettrust Housing Limited also review regularly the various repayment and refinancing options currently being pursued

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements. However, the financial statements do not contain the adjustments that would result if the Company was unable to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business

Revenue recognition

Turnover comprises revenue recognised by the company in respect of sales of development properties. Sales of properties are recognised on exchange of contracts provided that completion has taken place prior to the finalisation of the financial statements.

Other operating income

Other operating income comprises incidental rental income from properties held for sale, which is recognised on an accruals basis.

Notes to the financial statements

at 31 December 2010

1. Accounting policies (continued)

Properties held for sale

Properties held for sale are valued at the lower of cost, including incidental expenses, and net realisable value

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

2. Operating profit

This is stated after charging

	<i>18 months ended 31 December 2010 £</i>	<i>Year ended 30 June 2009 £</i>
Auditors' remuneration	4,950	5,265
Directors' remuneration	—	—

The directors' services to this company and to a number of fellow group undertakings are of a non executive nature and their emoluments are deemed to be wholly attributable to their qualifying services to Assettrust Housing Limited. Accordingly, these financial statements include no emoluments in respect of the directors

3. Interest payable

	<i>18 months ended 31 December 2010 £</i>	<i>Year ended 30 June 2009 £</i>
Interest payable to group undertaking	151,877	239,909
Bank interest payable	354,114	62,284
	<u>505,991</u>	<u>302,193</u>

Notes to the financial statements

at 31 December 2010

4. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows

	<i>18 months ended 31 December 2010 £</i>	<i>Year ended 30 June 2009 £</i>
<i>Current tax</i>		
UK corporation tax at 28% (2009 – 28%) on the loss for the period	–	–
Adjustment in respect of previous periods	–	10
Tax on loss on ordinary activities	–	10

(b) Deferred tax

Deferred tax asset not recognised in the financial statements is as follows

	<i>18 months ended 31 December 2010 £</i>	<i>Year ended 30 June 2009 £</i>
Tax losses available	102,726	45,283

(c) Factors affecting future tax charge

The Finance Act 2010 included legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011. The reported deferred tax asset has therefore been reduced to reflect the reduction in rate to 27%.

The Finance Bill 2011 includes legislation to reduce the main rate of corporation tax to 26% from 1 April 2011 and 25% from 1 April 2012. As this had not been substantively enacted at the balance sheet date, the reported deferred tax asset has not been reduced. The impact of the rate reductions will be reported in the next reporting period following substantive enactment of the relevant legislation.

The Government has also indicated that it intends to enact future reductions in the main tax rate to 24% from 1 April 2013 and 23% from 1 April 2014.

5. Debtors

	<i>31 December 2010 £</i>	<i>30 June 2009 £</i>
Amounts owed by group undertakings	5,637,475	5,499,877
Other debtors	4,011	130,080
	<u>5,641,486</u>	<u>5,629,957</u>

Notes to the financial statements

at 31 December 2010

6. Creditors: amounts falling due within one year

	<i>31 December</i>	<i>30 June</i>
	<i>2010</i>	<i>2009</i>
	£	£
Bank loans and overdrafts	–	119,080
Trade creditors	2,097	627
Amounts owed to group undertakings	7,093,987	6,830,571
Other creditors and accruals	196,962	150,058
	<u>7,293,046</u>	<u>7,100,336</u>

7. Contingent liabilities

The company is party to a cross guarantee to secure amounts owed in respect of a facility in the name of AHL Shared Ownership Borrower Limited, a fellow subsidiary undertaking in the Assettrust Housing group. At 31 December 2010 the total amount owed under the facility was £26,497,559 (30 June 2009 – £26,791,928)

8. Related party transactions

At 31 December 2010 the company was owed £5,542,795 (30 June 2009 – £5,499,877) by AHL Langley Investment Limited, a fellow subsidiary undertaking, largely in respect of property transfers. The company was also owed £16,900 (30 June 2009 – £nil) by AHL The Forge Investments Limited, a group undertaking.

The company owed £12,417 (30 June 2009 – £951), £139,678 (30 June 2009 – £139,678) and £22,538 (30 June 2009 – £43,908) to Assettrust Housing Projects Limited, Assettrust Housing Investments Limited and Assettrust Housing Limited respectively in respect of loans and expenses incurred on its behalf. Assettrust Housing Investments Limited and Assettrust Housing Projects Limited are subsidiaries of Assettrust Housing Limited, the company's ultimate parent undertaking.

At 31 December 2010 the company owed £6,048,807 (30 June 2009 – £5,967,090) to AHL Langley Holdings Limited, its immediate parent undertaking, largely in respect of loans advanced.

Notes to the financial statements

at 31 December 2010

8. Related party transactions (continued)

The following amounts were owed by/(to) other companies within the Assettrust group

	31 December 2010 £	30 June 2009 £
AHL Woolwich Arsenal Trading Limited	(132,520)	(155,195)
AHL Garrett Lane Trading Limited	(93,225)	(53,225)
AHL C&A Holdings Limited	(3,560)	(3,560)
AHL C&A Investments Limited	(3,431)	(3,431)
AHL C&A Trading Limited	(1,307)	(1,307)
AHL City Quarter Holdings Limited	(2,247)	(2,247)
AHL City Quarter Investments Limited	(7,971)	(2,074)
AHL City Quarter Trading Limited	(237,865)	(105,386)
AHL Hunton Bridge Wharf Holdings Limited	(1,172)	(1,172)
AHL Hunton Bridge Wharf Investment Limited	(2,538)	(2,538)
AHL Hunton Bridge Wharf Trading Limited	(33,334)	(33,334)
AHL Pall Mall Trading Limited	(39,393)	(39,393)
AHL Point Pleasant Trading Limited	50,120	(226,576)
AHL Riverside Court Trading Limited	(20,000)	–
AHL Shared Ownership Borrower Limited	27,659	(29,393)
AHL Southfields Holdings Limited	(13,464)	(13,464)
AHL Southfields Investments Limited	(4,609)	(4,609)
AHL Worcester Waterside Trading Limited	(271,872)	–
AHL The Forge Holdings Limited	(2,040)	(2,040)

'Other creditors' (note 6) includes £7,475 (30 June 2009 – £nil) owed to G P C Mackay, a director of the company 'Other creditors' also includes £1,000 (30 June 2009 – £1,000) owed to PXS Limited G P C Mackay is a director and shareholder of this company

9. Issued share capital

	31 December 2010		30 June 2009	
<i>Allotted, called up and fully paid</i>	<i>No</i>	<i>£</i>	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	1	1	1	1

10. Movement on reserves

	<i>Profit and loss account £</i>
At 1 July 2009	939,560
Loss for the period	(221,506)
At 31 December 2010	718,054

Notes to the financial statements

at 31 December 2010

11. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is AHL Langley Holdings Limited. The ultimate parent undertaking is Assettrust Housing Limited. It has included the company in its group financial statements, copies of which are available from the Registrar of Companies.

The controlling party is G P C Mackay.