

# AHL Langley Trading Limited

## Report and Financial Statements

30 June 2009

5077826



**Directors**

G P C Mackay  
F Newell  
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 year ended 30 June 2009

### Principal activities

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

### Directors

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

G P C Mackay	
K G Cox	(resigned 9 April 2009)
F Newell	
D Orchin	(appointed 2 December 2008)
V H Rosser	(resigned 17 October 2008)

### 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

F Newell  
Director



08 SEP 2010

## 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 Langley Trading Limited**

We have audited the financial statements of Langley Trading Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 10. 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 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.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2009 and of its loss for the year 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 year for which the financial statements are prepared is consistent with the financial statements.


# **Independent auditors' report**

**to the members of 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



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

**08 SEP 2010**

## Profit and loss account

for the year ended 30 June 2009

	Notes	2009 £	2008 £
<b>Turnover</b>		–	242,250
Administrative expenses		(51,917)	(16,261)
Other operating income		191,261	184,658
<b>Operating profit</b>	2	139,344	410,647
Interest receivable		875	111,346
Interest payable		(302,193)	(329,589)
<b>(Loss)/profit on ordinary activities before taxation</b>		(161,974)	192,404
Tax on (loss)/profit on ordinary activities	3	10	(94,673)
<b>(Loss)/profit for the financial year</b>		(161,964)	97,731

## Balance sheet

at 30 June 2009

	Notes	2009 £	2008 £
<b>Current assets</b>			
Properties held for sale		2,368,520	2,368,520
Debtors	4	5,629,957	5,526,741
Cash at bank		41,420	161,194
		<u>8,039,897</u>	<u>8,056,455</u>
<b>Creditors:</b> amounts falling due within one year	5	7,100,336	6,954,927
		<u>939,561</u>	<u>1,101,528</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	8	1	1
Profit and loss account	9	939,560	1,101,527
		<u>939,561</u>	<u>1,101,528</u>
<b>Shareholder's funds</b>			
		<u>939,561</u>	<u>1,101,528</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 **08 SEP 2010** and were signed on its behalf by

  
F Newell  
Director



## Notes to the financial statements

at 30 June 2009

### 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 financial statements have been prepared on a going concern basis as a parent company, Assettrust Housing Investments Limited, has agreed to provide sufficient funds to the company in order for it to meet its liabilities as they fall due

On this basis the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result if parent company support was not provided

#### *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

#### *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 exceptions

- 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

	2009	2008
	£	£
Auditors' remuneration	5,265	6,500
Directors' emoluments	—	—
	<u>          </u>	<u>          </u>

## Notes to the financial statements

at 30 June 2009

### 3. Tax

a) Tax on (loss)/profit on ordinary activities

The tax (credit)/charge is made up as follows.

	2009	2008
	£	£
Current tax		
UK Corporation tax at 28% (2008 28%)	–	53,939
Over provision in previous years	(10)	40,734
	<u>(10)</u>	<u>94,673</u>
Tax on loss on ordinary activities	(10)	94,673

b) Deferred tax

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

	2009	2008
	£	£
Tax losses available	45,283	–

### 4. Debtors

	2009	2008
	£	£
Amounts owed by group undertakings	5,499,877	5,492,527
Other debtors	130,080	34,214
	<u>5,629,957</u>	<u>5,526,741</u>

### 5. Creditors: amounts falling due within one year

	2009	2008
	£	£
Bank loans and overdrafts	119,080	–
Trade creditors	627	4,550
Amounts owed to group undertakings	6,830,571	6,824,423
Other creditors and accruals	150,058	125,954
	<u>7,100,336</u>	<u>6,954,927</u>

### 6. 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 30 June 2009 the total amount owed under the facility was £26,791,928 (2008 £26 339,912)

## Notes to the financial statements

at 30 June 2009

### 7. Related party transactions

At 30 June 2009 the company was owed £5,499,877 (2008 £5,492,527) by AHL Langley Investment Limited, a fellow subsidiary undertaking, largely in respect of property transfers

The company owed £5,967,090 (2008 £6,038,139) to AHL Langley Holdings Limited, its immediate parent undertaking, largely in respect of loans advanced. The company owed £43,908 (2008 £60,594) to Assettrust Housing Limited, its ultimate parent undertaking, in respect of loans and expenses incurred on its behalf. The company owed £226,576 (2008 £136,466) to AHL Point Pleasant Trading Limited, a fellow subsidiary undertaking, in respect of loans advanced in the year. The company owed £29,393 (2008 £16,145) to AHL Shared Ownership Borrower Limited, a fellow subsidiary undertaking, in respect of loan issue costs and group relief in the year.

The company owed PXS Limited £1,000 (2008 £nil) as a result of refinancing. G P C Mackay is a director and shareholder of the company.

The following amounts were owed to other companies within the Assettrust group in payment for group relief from prior years:

	2009 £	2008 £
Assettrust Housing Investments Limited	139,678	137,816
Assettrust Housing Projects Limited	951	951
AHL Woolwich Arsenal Trading Limited	155,195	166,533
AHL Garrett Lane Trading Limited	53,225	53,225
AHL C&A Holdings Limited	3,560	3,560
AHL C&A Investment 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	2,074	2,074
AHL City Quarter Trading Limited	105,386	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 Southfields Holdings Limited	13,464	13,464
AHL Southfields Investments Limited	4,609	4,609
AHL The Forge Holdings Limited	2,040	2,040

Trade creditors (note 5) includes advertising expenses of £nil (2008 £3,871) due to Bivar Limited. G P C Mackay is a director and shareholder of this company.

### 8. Issued share capital

	No	2009 £	No	2008 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	1	1	1	1

## Notes to the financial statements

at 30 June 2009

### 9. Reconciliation of shareholder's funds and movement on reserves

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At 1 July 2008	1	1,101,524	1,101,525
Loss for the year	–	(161,964)	(164,964)
At 30 June 2009	<u>1</u>	<u>939,560</u>	<u>939,561</u>

### 10. 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 ultimate controlling party is G P C Mackay.