

Registration number: 5099199

# Coleridge (No. 32) Ltd

Director's Report and Financial Statements  
for the Year Ended 28 February 2006



## **Coleridge (No. 32) Ltd**

### **Officers and Advisers**

<b>Director</b>	Europa Director Ltd
<b>Secretary</b>	Teesland Secretarial Services Ltd
<b>Registered office</b>	Europa House 20 Esplanade Scarborough YO11 2AQ
<b>Solicitors</b>	Shepherd + Wedderburn 12 Arthur Street London EC4R 9AB
<b>Bankers</b>	Bank of Scotland 2nd floor 21-23 Hill Street Mayfair London W1J 5JW
<b>Auditors</b>	Mazars LLP Chartered Accountants and Registered Auditor 90 St Vincent Street Glasgow G2 5UB

## **Coleridge (No. 32) Ltd**

### **Director's Report for the Year Ended 28 February 2006**

The director presents their report and the audited financial statements for the year ended 28 February 2006.

#### **Directors' responsibilities**

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a 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 the financial statements comply with the Companies Act 1985. They have general responsibility 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.

#### **Review of business and future developments**

The principal activity of the company is that of investment in and letting of commercial property.

The director considers that the results for the year and the financial position at the end of the year were satisfactory.

The director expects that the present level of activity will be sustained for the foreseeable future.

#### **Results and dividend**

The results for the company are set out in the financial statements.

An interim ordinary dividend of £500,000 (2005: £nil) was paid on 28 February 2006. The director recommends a final ordinary dividend of £nil (2005: £37,434). The aggregate dividends on the ordinary shares recognised as an expense during the year amounts to £537,434 (restated 2005: £nil) excluding proposed dividends that have yet to be approved by the balance sheet date.

#### **Fixed assets**

*In the opinion of the director no fixed assets have a significant difference in value between the book value reported and the market value.*

#### **Director and their interests**

The director who held office during the year was as follows:

- Europa Director Ltd

The director did not have an interest in the shares of the company at any time during the year. The interests of the director in the parent company are disclosed in the directors' report of that company.

**Coleridge (No. 32) Ltd**

**Director's Report for the Year Ended 28 February 2006**

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**Auditors**

A resolution to reappoint Mazars LLP as independent auditor to the company, and to allow the directors to fix their remuneration, will be proposed at the Annual General Meeting.

Approved by the Board and signed on its behalf by:



.....  
Europa Director Ltd  
Director

Date:.....18/9/2006.....

## **Independent Auditors' Report to the Members of Coleridge (No. 32) Ltd**

We have audited the financial statements of Coleridge (No. 32) Ltd for the year ended 28 February 2006 which comprise the Profit and Loss Account, Balance Sheet and associated notes numbered 1-16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 auditors' 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 described in the statement of Directors' responsibilities on page 2, the company's director is responsible for the preparation of 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 Director's 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 transactions with the company 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.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an 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 affairs of the company as at 28 February 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Mazars LLP*  
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Mazars LLP  
Chartered Accountants and Registered Auditor  
90 St Vincent Street  
Glasgow, G2 5UB

Date:.....22/9/06.....

**Coleridge (No. 32) Ltd****Profit and Loss Account for the Year Ended 28 February 2006**

	Note	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 <i>as restated</i> £ 000
Turnover		329	225
Cost of sales		(7)	(6)
<b>Gross profit</b>		<u>322</u>	<u>219</u>
Administrative expenses		(12)	(9)
<b>Operating profit</b>	2	<u>310</u>	<u>210</u>
Gain on sale of fixed assets		857	-
Income from shares in group undertakings		228	-
Other interest receivable and similar income		-	3
Interest payable and similar charges	5	(331)	(160)
<b>Profit on ordinary activities before taxation</b>		<u>1,064</u>	<u>53</u>
Tax on profit on ordinary activities	6	(270)	(16)
<b>Profit on ordinary activities after taxation</b>		<u>794</u>	<u>37</u>
Dividends	7	(537)	-
<b>Retained profit for the financial year</b>		<u>257</u>	<u>37</u>

The result for the current and prior year is derived wholly from continuing operations.

The company has no recognised gains or losses for the year other than the profit on ordinary activities before taxation.

There is no material difference between the result reported above and the result on an unmodified historical cost basis.


The notes on pages 7 to 13 form an integral part of these financial statements.

**Coleridge (No. 32) Ltd**

**Balance Sheet as at 28 February 2006**

		28 February 2006	28 February 2005 <i>as restated</i>
	Note	£ 000	£ 000
<b>Fixed assets</b>			
Tangible assets	8	-	6,466
Investments	9	-	-
		<u>-</u>	<u>6,466</u>
<b>Current assets</b>			
Debtors	10	675	18
Creditors: Amounts falling due within one year	11	(381)	(6,447)
Net current assets/(liabilities)		<u>294</u>	<u>(6,429)</u>
<b>Net assets</b>		<u>294</u>	<u>37</u>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss reserve	13	294	37
<b>Equity shareholders' funds</b>		<u>294</u>	<u>37</u>

These accounts were approved by the Director on 18/9/2006



Europa Director Ltd  
Director

The notes on pages 7 to 13 form an integral part of these financial statements.

## **Coleridge (No. 32) Ltd**

### **Notes to the Financial Statements for the Year Ended 28 February 2006**

#### **1 Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards. Compliance with SSAP 19, "Accounting for Investment Properties", requires a departure from the requirement of the Companies Act 1985 relating to depreciation and an explanation of this departure is given below.

##### **Going concern**

These financial statements have been prepared on a going concern basis.

##### **Investment properties**

Certain of the company's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows:

- (i) No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year; and
- (ii) no depreciation is provided in respect of leasehold investment properties where the lease has over 20 years to run.

This treatment as regards the company's investment properties, is a departure from the requirements of the Companies Act 1985 concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the director considers that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

##### **Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

##### **Capital instruments**

Shares are included in shareholders' funds. Other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and if not they are included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount.



## Coleridge (No. 32) Ltd

### Notes to the Financial Statements for the Year Ended 28 February 2006

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#### Cash flow statement

In accordance with Financial Reporting Standard No. 1 (revised) the company is exempt from the requirement to produce a cash flow statement on the basis that a consolidated cash flow statement is prepared by Scamp Holdings Limited, the parent undertaking of the smallest group for which group accounts are drawn up and of which the company is a member.

#### Turnover

Turnover, stated net of valued added tax, represents rental income from let properties, which accrues on a daily basis. Turnover and profit before taxation, which arises wholly within the UK, is attributable to the company's continued principal activity.

#### Deferred tax

Deferred tax is provided in full on timing differences which represent a liability at the balance sheet date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income or expenditure in tax computations in periods difference from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset. Deferred tax assets and liabilities are not discounted.

#### Group accounts

The company has taken advantage of the exemption under Section 228 of the Companies Act 1985 in not preparing group accounts, as the company is a subsidiary of Scamp Holdings Ltd, a company incorporated in Scotland. Accordingly, these accounts present information about the company as an individual undertaking and not of its group.

#### Change in accounting policies

The company has adopted FRS 21, "Events after the balance sheet date", in these financial statements. The adoption of this standard represents a change in accounting policy and the comparative figures have been restated accordingly.

The effect of the change in accounting policy to adopt FRS 21 was to recognise the final proposed dividend for the period ended 28 February 2005 of £37,434 in the current year.

## 2 Operating profit

Operating profit is stated after charging/(crediting):

	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 £ 000
Auditors remuneration - audit services	2	2
Auditors remuneration - non audit services	1	1

## Coleridge (No. 32) Ltd

### Notes to the Financial Statements for the Year Ended 28 February 2006

..... continued

#### 3 Employees

The average number of employees during the year was nil (2005: nil).

#### 4 Director's emoluments

No emoluments were paid to the director during the year (2005 - £nil).

#### 5 Interest payable and similar charges

	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 £ 000
Interest payable to group undertakings	<u>331</u>	<u>160</u>

#### 6 Taxation

##### Analysis of current period tax charge

	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 £ 000
<b>Current tax</b>		
Corporation tax charge	282	16
(Over)/under provision in previous year	<u>(12)</u>	<u>-</u>
UK Corporation tax	<u>270</u>	<u>16</u>

##### Factors affecting current period tax charge

The tax assessed on the profit on ordinary activities for the year is lower than (8 April 2004 to 28 February 2005 - the same as) the standard rate of corporation tax in the UK of 30% (8 April 2004 to 28 February 2005 - 30%).

## Coleridge (No. 32) Ltd

### Notes to the Financial Statements for the Year Ended 28 February 2006

..... continued

The differences are reconciled below:

	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 £ 000
Profit on ordinary activities before taxation	<u>1,064</u>	<u>53</u>
Standard rate corporation tax charge	319	16
Indexation allowance on capital gains not taxable	(19)	-
Transfer pricing adjustment	(18)	-
Adjustment in respect of prior year	(12)	-
Total current tax for the year	<u>270</u>	<u>16</u>

#### Factors which may affect future tax charges

There are no significant known factors that may affect future tax charges, other than the profit on ordinary activities before tax for the year.

## 7 Dividends

	Year ended 28 February 2006 £ 000	8 April 2004 to 28 February 2005 as restated £ 000
<b>Equity dividends</b>		
Ordinary dividend paid	<u>537</u>	<u>-</u>

The amount of ordinary dividends paid during the year comprises an interim dividend paid for the year ended 28 February 2006 of £500,000 and a final dividend paid for the period ended 28 February 2005 of £37,434. The final dividend paid for the period ended 28 February 2005 has been accounted for within the current year financial statements because it had not been approved as at the previous balance sheet date.

**Coleridge (No. 32) Ltd****Notes to the Financial Statements for the Year Ended 28 February 2006**

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**8 Tangible fixed assets**

	Investment properties £ 000
Cost and valuation as at 1 March 2005	6,466
Disposals	(6,466)
Cost and valuation as at 28 February 2006	-

**Revaluation of fixed assets**

The historic cost of investment properties included at valuation is £nil (2005: £6,466,000).

**9 Investments held as fixed assets**

	Group shares £ 000
<b>Cost and net book value</b>	
Additions	6,401
Disposals	(6,401)
As at 28 February 2006	-

**10 Debtors**

	28 February 2006 £ 000	28 February 2005 £ 000
Trade debtors	-	18
Amounts owed by group undertakings	588	-
Other debtors	3	-
Prepayments and accrued income	84	-
	<u>675</u>	<u>18</u>

## Coleridge (No. 32) Ltd

### Notes to the Financial Statements for the Year Ended 28 February 2006

..... continued

#### 11 Creditors: Amounts falling due within one year

	28 February 2006	28 February 2005 <i>as restated</i>
	£ 000	£ 000
Amounts owed to group undertakings	-	6,383
Corporation tax	270	16
Accruals and deferred income	111	48
	<u>381</u>	<u>6,447</u>

#### 12 Share capital

	28 February 2006	28 February 2005
	£	£
<b>Authorised</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
<b>Allotted, called up and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

#### 13 Reserves

	Profit and loss reserve £ 000
Balance at 1 March 2005	-
Prior year adjustment	<u>37</u>
At beginning of the year as restated	37
Transfer from profit and loss account for the year	<u>257</u>
Balance at 28 February 2006	<u>294</u>

## Coleridge (No. 32) Ltd

### Notes to the Financial Statements for the Year Ended 28 February 2006

..... continued

#### 14 Reconciliation of movements in shareholders' funds

	28 February 2006	28 February 2005 <i>as restated</i>
	£ 000	£ 000
Profit attributable to members of the company	794	37
Dividends	(537)	-
	<u>257</u>	<u>37</u>
 New share capital subscribed	 -	 -
Net addition to shareholders' funds	<u>257</u>	<u>37</u>
 Opening equity shareholders' funds (originally £101 before adding prior period adjustment of 37,434)	 37	 -
Closing equity shareholders' funds	<u>294</u>	<u>37</u>

#### 15 Contingent liabilities

The company is party to a guarantee covering the bank loans and overdrafts of Scamp Holdings Ltd and its subsidiaries, which at 28 February 2006 stood at £146,385,000 (2005: £245,811,000). The guarantee was secured by a standard security over fixed assets and a bond and floating charge over the assets of the respective companies.

#### 16 Related parties

##### Controlling entity

The immediate parent company is Ancient Mariner Properties Limited and the ultimate parent company is Scarborough Group Limited. The parent company of the smallest group for which group accounts are drawn up and of which the company is a member, is Scamp Holdings Ltd, a company registered in Scotland. Copies of Scamp Holdings Ltd's accounts can be obtained from 93 George Street, Edinburgh, EH2 3ES.

In the opinion of the directors, the ultimate controlling party is K C McCabe.

##### Related party transactions

The company is a member of the Scarborough Group Limited group and is included in the consolidated financial statements of Scarborough Group Limited, which are publicly available. Accordingly, the company has taken advantage of the exemption offered by FRS8 from disclosing related party transactions with other undertakings within and investee related parties to, the Scarborough Group Limited group.