



Financial statements Binden Estates Limited

For the year ended 31 October 2009



Company No. 05327453

Officers and professional advisers

Company registration number	05327453
Registered office	The Corn Exchange Fenwick Street Liverpool L2 7TP
Directors	G O Mason M Smith
Secretary	B Harvey
Solicitors	Hill Dickinson LLP No 1 St Paul's Square Liverpool L3 9SJ
Auditor	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Royal Liver Building Liverpool L3 1PS

Contents

Report of the directors	3 - 4
Report of the independent auditor	5 - 6
Accounting policies	7 - 8
Profit and loss account	9
Balance sheet	10
Other primary statements	11
Notes to the financial statements	12 - 15

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 October 2009

Principal activity

The company's principal activity is that of property investment

Directors

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

G O Mason
M Smith

Directors' responsibilities

The directors are responsible for preparing the Report of the directors 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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

- 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

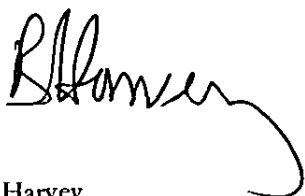
Auditor

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 485 of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'B Harvey', with a long, sweeping underline that extends to the right.

B Harvey
Secretary
18 May 2010



Report of the independent auditor to the members of Binden Estates Limited

We have audited the financial statements of Binden Estates Limited for the year ended 31 October 2009 which comprise the accounting policies, profit and loss account, balance sheet, statement of total recognised gains and losses and the related notes. 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 auditor

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

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.

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 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 applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

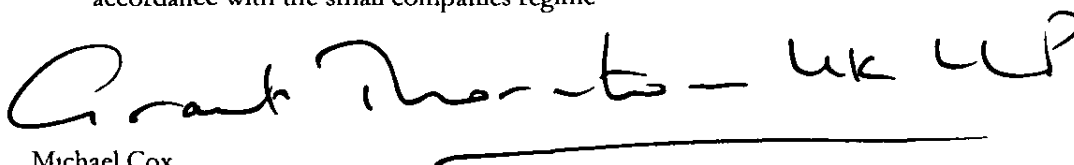
In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Report of the independent auditor to the members of Binden Estates Limited (continued)

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 report of the directors in accordance with the small companies regime



Michael Cox
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool

7th June 2010

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The accounting policies of the company are set out below and remain unchanged from the previous year

Turnover

Turnover is the total amount of rent and other income receivable by the company, excluding VAT, and is attributable to the continuing activity of property investment. Turnover is recognised in the period to which it relates, taking into account provisions for lease incentives. Lease incentives are spread on a straight-line basis over the period to the first rent review date.

Fixed assets

All fixed assets are recorded at cost or valuation less provision for permanent diminution in value.

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment properties revaluation reserve unless a deficit, 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.

This is in accordance with the FRSSE which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Deferred taxation

Deferred tax 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 a right to pay less or to receive more, tax, with the following exceptions.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned.

Deferred tax assets are recognised when it is more likely than not they will be recovered.

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.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Profit and loss account

	Note	2009 £	2008 £
Turnover		550,238	442,589
Other operating charges	1	<u>123,104</u>	<u>155,247</u>
Operating profit	2	427,134	287,342
Permanent diminution in value of investment property		(82,199)	—
Interest payable and similar charges		<u>352,995</u>	<u>329,722</u>
Loss on ordinary activities before taxation		(8,060)	(42,380)
Tax on loss on ordinary activities		22,640	492
Loss for the financial year	11	<u>(30,700)</u>	<u>(42,872)</u>


The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	4	<u>7,902,000</u>	<u>7,825,000</u>
Current assets			
Debtors	5	<u>250,503</u>	<u>206,471</u>
Creditors: amounts falling due within one year	6	<u>371,122</u>	<u>277,152</u>
Net current liabilities		<u>(120,619)</u>	<u>(70,681)</u>
Total assets less current liabilities		<u>7,781,381</u>	<u>7,754,319</u>
Creditors: amounts falling due after more than one year	7	<u>7,259,890</u>	<u>6,897,260</u>
		<u>521,491</u>	<u>857,059</u>
Capital and reserves			
Called-up equity share capital	9	<u>10</u>	<u>10</u>
Revaluation reserve	10	<u>476,004</u>	<u>780,872</u>
Profit and loss account	11	<u>45,477</u>	<u>76,177</u>
Shareholders' funds		<u>521,491</u>	<u>857,059</u>

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

These financial statements were approved by the directors and authorised for issue on 18/5/10, and are signed on their behalf by


G O Mason
Director

Company Registration Number 05327453

Other primary statements

Statement of total recognised gains and losses

	2009 £	2008 £
Loss for the financial year	(30,700)	(42,872)
Unrealised loss on revaluation of certain fixed assets	(379,067)	(714,708)
Total gains and losses recognised for the year	(409,767)	(757,580)

The accompanying accounting policies and notes form part of these financial statements.

Notes to the financial statements

1 Other operating charges

	2009	2008
	£	£
Property costs	79,956	78,218
Administrative expenses	43,148	77,029
	<u>123,104</u>	<u>155,247</u>

2 Operating profit

Operating profit is stated after charging

	2009	2008
	£	£
Auditor's fees	<u>-</u>	<u>4,000</u>

The audit fee has been met by Binden Estates Limited's parent company Perrers Properties Limited

3 Particulars of employees

No salaries or wages have been paid to employees, including the directors, during either year

4 Tangible fixed assets

	Freehold Investment Properties £
Cost or valuation	
At 1 November 2008	7,825,000
Additions	464,067
Permanent diminution in value	(8,000)
Revaluation	<u>(379,067)</u>
At 31 October 2009	<u>7,902,000</u>
Net book value	
At 31 October 2009	<u>7,902,000</u>
At 31 October 2008	<u>7,825,000</u>

f

4 Tangible fixed assets (continued)

The investment properties have been revalued at 31 October 2009 by Mr M Smith, a director and qualified chartered surveyor, on the basis of existing use, open market value

Deferred taxation, based on unrealised revaluation surplus, has not been provided as the directors consider that properties are held primarily for long term investment, and not with the intention on resale in the foreseeable future. The deferred taxation amount is disclosed as a contingent liability

If the investment properties had not been revalued, the historical cost at 31 October 2009 would have been £7,425,996 (2008 £7,044,128)

5 Debtors

	2009 £	2008 £
Trade debtors	11,469	11,451
Amount due from related undertaking	—	1,175
Other debtors	97,825	68,629
Prepayments and accrued income	141,209	125,216
	<u>250,503</u>	<u>206,471</u>

6 Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	152,791	65,490
Corporation tax	22,640	23,530
VAT	—	11,167
Accruals and deferred income	195,691	176,965
	<u>371,122</u>	<u>277,152</u>

7 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Amount owed to group undertaking	<u>7,259,890</u>	<u>6,897,260</u>

The amount owed to group undertaking relates to a loan from the parent undertaking. The loan is unsecured and interest bearing at 6%

Svenska Handelsbanken AB holds a first and only debenture and composite guarantee over the company, regarding the loan and overdraft to Perrers Properties Limited, the parent company of Binden Estates Limited, which amounted to £10,188,886 at 31 October 2009 (2008 £10,037,281)

8 Related party transactions

The parent company, Perrers Properties Limited, provided a loan to the company amounting to £7,259,890 (2008 £6,897,260). The balance comprises £5,942,462 (2008 £5,932,396) capital and £1,317,428 (2008 £964,864) interest. The loan is interest bearing at 6%. The interest charged for the year was £352,563 (2008 £329,081).

Mr G O Mason, a director of the company is also a director and shareholder in Mason & Partners Limited. This company charged £34,652 (2008 £48,433) for services in connection with the company's property investments and management services under normal commercial terms. The balance outstanding at the year end was £9,977 (2008 £nil) which is included in accruals.

Included within debtors is £nil (2008 £1,175) due from Brierley Hill Estates Limited. This company is related by virtue of common ownership.

9 Share capital

Authorised share capital

	2009	2008
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid

	2009		2008	
	No	£	No	£
10 Ordinary shares of £1 each	10	10	10	10

10 Revaluation reserve

	2009	2008
	£	£
Balance brought forward	780,872	1,495,579
Revaluation of fixed assets	(379,067)	(714,707)
Revaluation loss in prior years now treated as permanent diminution in value through the profit and loss account	74,199	—
Balance carried forward	<u>476,004</u>	<u>780,872</u>

11 Profit and loss account

	2009	2008
	£	£
Balance brought forward	76,177	119,049
Loss for the financial year	(30,700)	(42,872)
Balance carried forward	<u>45,477</u>	<u>76,177</u>

12 Contingent Liability

There is a contingent liability of £134,000 in respect of corporation tax which would be payable if the company's investment properties were sold at their revalued amounts

There is a contingent liability of £10,188,886 due to a composite guarantee regarding a bank loan issued to the parent company, Perrers Properties Limited

13 Capital commitments

The Company has capital commitments at 31 October 2009 of £94,794 for refurbishment works to a property. There were no capital commitments at 31 October 2008

14 Ultimate Parent undertaking

The parent company is Perrers Properties Limited, a company incorporated in England and Wales

15 Post balance sheet events

During January 2010 one of the investment properties held at the year end was sold. The property was included in these accounts at a value of £217,000. The property was sold for £217,000