

Company No. 05332194

ANNUAL REPORT AND FINANCIAL STATEMENTS
CARISBROOKE PROPERTY INVESTMENTS LIMITED
YEAR ENDED 30 JUNE 2012

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CARISBROOKE PROPERTY INVESTMENTS LIMITED

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CARISBROOKE PROPERTY INVESTMENTS LIMITED

CORPORATE INFORMATION

DIRECTORS

N Young
N S Rumsey

SECRETARY

N S Rumsey

INDEPENDENT AUDITOR

Deloitte LLP
London

BANKERS

Irish Bank Resolution Corporation Limited (formerly Anglo Irish Bank Corporation Limited)
10 Old Jewry
London EC2 8DN

REGISTERED OFFICE

22 Grosvenor Square
London
W1K 6DT

REGISTERED NUMBER

05332194

CARISBROOKE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements of Carisbrooke Property Investments Limited ('the Company') for the year ended 30 June 2012

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption of the Companies Act 2006

PRINCIPAL ACTIVITY

The principal activity of the Company is as a management and intermediate holding company. Investments are held in GPF Investment Company Limited, Carisbrooke Lime Street Limited and Carisbrooke Central Limited

RESULTS AND DIVIDENDS

The loss for the year ended 30 June 2012 amounted to £1,118,287 (2011 £882,073 loss)

No dividend is proposed (2011 £nil)

GOING CONCERN

The financial statements have not been prepared on a going concern basis for the reasons set out below

The Company and its subsidiaries operate in the UK property market which has experienced volatile conditions over the last number of years. Whilst there are signs of stabilisation in the UK market overall, conditions for the secondary property market remain extremely demanding.

The Company does not maintain any liquid assets itself and places all surplus funds and draws any required funds from its ultimate parent company, Carisbrooke Anglo Ventures Limited ("CAVL"). Consequently, the Company relies completely on CAVL for the ongoing daily supply of liquidity and funds to enable the Company to function. The Company has operated effectively throughout the year and continues to do so at the date of the Directors' Report.

However, the CAVL financial statements have not been prepared on a going concern basis as the CAVL Group's loan to value ratio under the lender's loan agreement is breached as it exceeds 80%, thereby putting the loan into an event of default.

On the 16 January 2013, the lender sold the loans of the CAVL Group to Firelighter (LUX) S A R L. Firelighter (LUX) S A R L has confirmed to the Company, by way of a letter dated 16th January 2013, that it is Firelighter (LUX) S A R L's intention to support the strategy/business plan of the Company.

No adjustments to the carrying value of the Company's assets or liabilities were necessary as a result of ceasing to prepare the financial statements on a going concern basis.

CARISBROOKE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT (Cont)

RISK MANAGEMENT

The principal risks and uncertainties facing the Company relate to its investments whose principal activity is property investment. As a result the principal risks and uncertainties derive from the Company's interests in such properties as follows

Credit risk

Credit risk is the risk arising from the possibility that the Company will incur losses from the failure of customers to meet their obligations

- Risk is managed on a periodic basis by the board
- Customers with emerging credit problems are managed on a daily basis to ensure that any contractual cash flow obligations can be met as they arise

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due

- The liquidity of the Company is managed on a daily basis to ensure that any contractual cashflow obligations and potential cash flows can be met as they arise

Valuation risk

Valuation risk is the risk that the value of the Company's investments fall due to a reduction in property values and ultimately results in losses for the Company

- The directors seek to reduce this risk through active asset management of their investments

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year ended 30 June 2012, and up to the date of approval of this report, were as follows

N Young
N S Rumsey

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

CARISBROOKE PROPERTY INVESTMENTS LIMITED

DIRECTORS' REPORT (Cont.)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (Cont.)

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- 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 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 to 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.

DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that

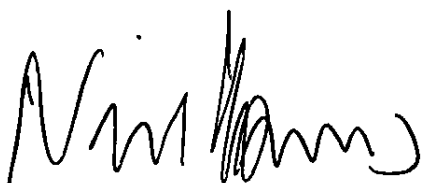
- so far as the director is aware, there is no relevant audit information of the the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

INDEPENDENT AUDITOR

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

By order of the board



N Young
Director

DATE 29th April 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARISBROOKE PROPERTY INVESTMENTS LIMITED

We have audited the financial statements of Carisbrooke Property Investments Limited for the year ended 30 June 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 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 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, 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 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 annual 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 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 2012 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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

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, which explains that the financial statements have been prepared on a basis other than that of a going concern.

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 AUDITOR'S REPORT TO THE MEMBERS OF CARISBROOKE PROPERTY INVESTMENTS LIMITED (Cont.)

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 take advantage of the small companies exemption in preparing the Directors' Report



Caroline Britton (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

Date 29 April 2013

CARISBROOKE PROPERTY INVESTMENTS LIMITED**PROFIT AND LOSS ACCOUNT****For the year ended 30 June 2012**

	Notes	2012 £	2011 £
Administrative expenses		(750)	(757)
OPERATING LOSS		(750)	(757)
Interest payable and similar charges	4	(722,061)	(744,763)
Impairment of investments	6	(395,476)	(136,553)
LOSS ON ORDINARY ACTIVITIES BEFORE TAX		(1,118,287)	(882,073)
Tax credit on loss on ordinary activities	5	-	-
LOSS FOR THE YEAR	10	(1,118,287)	(882,073)

All results for the year was derived from continuing operations

The company had no recognised gains or losses for the year, other than those shown above. Accordingly no Statement of Recognised Gains and Losses has been presented.

BALANCE SHEET

As at 30 June 2012

	Notes	2012 £	2011 £
TANGIBLE FIXED ASSETS			
Investments	6	-	395,476
CURRENT ASSETS			
Debtors	7	<u>967,412</u>	<u>967,412</u>
		967,412	967,412
CREDITORS: amounts falling due within one year	8	<u>(14,874,104)</u>	<u>(14,151,293)</u>
NET CURRENT LIABILITIES		(13,906,692)	(13,183,881)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(13,906,692)</u>	<u>(12,788,405)</u>
NET LIABILITIES		<u>(13,906,692)</u>	<u>(12,788,405)</u>
CAPITAL AND RESERVES			
Called up share capital	9	2	2
Profit and loss account	10	<u>(13,906,694)</u>	<u>(12,788,407)</u>
SHAREHOLDERS' DEFICIT	11	<u>(13,906,692)</u>	<u>(12,788,405)</u>

The notes on pages 9 to 14 form part of these financial statements

These financial statements were approved by the board of directors. They were authorised for issue on 29th April 2013 and signed on its behalf by


N Young
Director

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2012

1 ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards and company law except that, as explained below, investment properties are not depreciated

The financial statements have been prepared on a basis other than that of a going concern basis for the reasons set out below

Going concern

The Company and its subsidiaries operate in the UK property market which has experienced volatile conditions over the last number of years. Whilst the market is showing signs of stabilisation in the UK market overall, conditions for the secondary property market remain extremely demanding.

The Company does not maintain any liquid assets itself and places all surplus funds and draws any required funds from its ultimate parent company, Carisbrooke Anglo Ventures Limited ("CAVL"). Consequently, the Company relies completely on CAVL for the ongoing daily supply of liquidity and funds to enable the Company to function which has operated effectively throughout the year and continues to do so at the date of the Directors' Report.

However, the CAVL financial statements have not been prepared on a going concern basis as the CAVL Group's loan to value ratio under the lender's loan agreement is breached as it exceeds 80%, thereby putting the loan into an event of default.

On the 16 January 2013, the lender sold the loans of the CAVL Group to Firelighter (LUX) S A R L. Firelighter (LUX) S A R L has confirmed to the Company, by way of a letter dated 16th January 2013, that it is Firelighter (LUX) S A R L's intention to support the strategy/business plan of the Company.

No adjustments to the carrying value of the Company's assets or liabilities were necessary as a result of ceasing to prepare the financial statements on a going concern basis.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

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 tax, with the following exceptions:

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

For the year ended 30 June 2012

1 ACCOUNTING POLICIES (Cont.)

Taxation (Cont.)

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 not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on a sale has been recognised in the financial statements

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

Cash Flow Statement

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to prepare a cashflow statement in accordance with FRS 1

Interest

Interest income and expense are accounted for on an accruals basis

Group Financial Statements

Consolidated financial statements have not been prepared as the Company is exempt from the obligation to prepare and deliver group accounts under section 400 of the Companies Act 2006, as it is an indirect wholly-owned subsidiary of CAVL which prepares consolidated accounts that are publicly available. The Company complies with all the conditions set out in section 400 of the Companies Act as a wholly owned subsidiary of a company incorporated in another EEA state

Investments

Fixed asset investments are stated at cost less any provision for impairment

An impairment review is performed when events or circumstances indicate that the carrying value of the fixed asset may not be recoverable

Impairment is measured by comparing the carrying amount of a fixed asset with its recoverable amount. Recoverable amount is the higher of its net realisable value and its value in use. An impairment loss is charged to the profit and loss account to the extent that the recoverable amount of the fixed asset is less than its carrying value

CARISBROOKE PROPERTY INVESTMENTS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS (Cont.)**For the year ended 30 June 2012****2 AUDITOR'S REMUNERATION**

The audit fee for the year was £3,500 (2011 £3,500) This fee was paid by the ultimate parent company

The company had no employees during the year (2011 None)

3 DIRECTORS' EMOLUMENTS

No director received any emoluments for their services to the company during the year (2011 £nil)

4 INTEREST PAYABLE

	2012	2011
	£	£
Interest payable on intercompany loans	<u>722,061</u>	<u>744,763</u>

5 TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

	2012	2011
	£	£
UK corporation tax:		
Group relief	<u>-</u>	<u>-</u>
Tax credit for the year	<u>-</u>	<u>-</u>

The tax assessed for the period differs from the standard rate of corporation tax in the UK 25.5% (2011 27.5%) The differences are explained below

Loss On Ordinary Activities Before Tax	<u>(1,118,287)</u>	<u>(882,073)</u>
Tax on loss on ordinary activities at 25.5% (2011 27.5%)	(285,163)	(242,570)
Effects of:		
Disallowed expenses	191	205
Impairment of investments	100,846	37,552
Unrelieved tax losses	<u>184,126</u>	<u>204,813</u>
Current tax	<u>-</u>	<u>-</u>

The standard rate of UK corporation tax decreased from 26% to 24% with effect from 1st April 2012 and accordingly the current tax for the year is calculated at an average rate of 25.5% The standard rate of UK corporation tax is expected to decrease further to 23% with effect from 1st April 2013

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

For the year ended 30 June 2012

6 FIXED ASSET INVESTMENTS

	2012 £	2011 £
Susidiary undertakings shares		
Cost		
At 1 July	395,476	532,029
Repayments	-	-
Impairment	(395,476)	(136,553)
At 30 June	-	395,476

Fixed assets investments comprise the entire issued ordinary share capital of the following companies

GPF Investment Company Limited
Carisbrooke Central Limited
Carisbrooke Lime Street Limited

GPF Investment Company Limited is registered in Jersey and its principal activity is property investment
Carisbrooke Central Limited is registered in England and Wales and is an intermediate holding company
Carisbrooke Lime Street Limited is registered in England and Wales and its principal activity is property investment

The subsidiary companies held by Carisbrooke Central Limited comprise

Carisbrooke Properties (Basingstoke) Limited
Carisbrooke Central Investments Limited
Countryroad Investments Limited

All of these companies are incorporated in Great Britain with the exception of Countryroad Investments Limited which is incorporated in the Cayman Islands. The principal activity of all these companies is property investment

The principal activity of the company's subsidiary undertakings is all property investment. Due to the volatile conditions in the UK property market, these subsidiary undertakings have experienced deficits on their investment property values when compared to cost and have resulted in a reduction in their net assets at the balance sheet date

7 DEBTORS

	2012 £	2011 £
Called up share capital not paid	2	2
Corporation tax - Group Relief	967,410	967,410
	967,412	967,412

CARISBROOKE PROPERTY INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Cont.)**
For the year ended 30 June 2012**8 CREDITORS: Amounts falling due within one year**

	2012 £	2011 £
Other taxes	4,560	4,560
Intercompany loans	10,566,360	10,566,360
Amounts owed to group undertakings	<u>4,303,184</u>	<u>3,580,373</u>
	<u>14,874,104</u>	<u>14,151,293</u>

9 SHARE CAPITAL

	2012 £	2011 £
<i>Allotted, called and unpaid</i>		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10 PROFIT AND LOSS ACCOUNT

	2012 £	2011 £
At 1 July	(12,788,407)	(11,906,334)
Loss for the financial year	<u>(1,118,287)</u>	<u>(882,073)</u>
At 30 June	<u>(13,906,694)</u>	<u>(12,788,407)</u>

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2012 £	2011 £
At 1 July	(12,788,405)	(11,906,332)
Loss for the financial year	<u>(1,118,287)</u>	<u>(882,073)</u>
At 30 June	<u>(13,906,692)</u>	<u>(12,788,405)</u>

12 SUBSEQUENT EVENTS

As detailed in the directors' report and in note 1 to the financial statements, the loans to the CAVL group have been sold by Irish Bank Resolution Corporation Limited on the 16 January 2013, Firelighter (LUX) S A R L has confirmed to the Company, by way of a letter dated 16th January 2013, that it is Firelighter (LUX) S A R L's intention to support the strategy/business plan of the Company

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)

For the year ended 30 June 2012

13 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption conferred by Financial Reporting Standard 8, "Related Party Disclosures", not to disclose transactions between members of the group that are 100% owned by Carisbrooke Anglo Ventures Limited. There are no other related party transactions requiring disclosure (2011: none).

14 ULTIMATE PARENT UNDERTAKING

The Company's ultimate parent company and controlling party is Carisbrooke Anglo Ventures Limited, which is the parent of the only group of which the Company is a member. Carisbrooke Properties Limited is the Company's immediate parent company. However, this Company does not prepare consolidated financial statements.

The Company's financial statements have been included in the group financial statements of the ultimate parent company, Carisbrooke Anglo Ventures Limited, copies of which are available at Companies House (Crown Way, Mandy, Cardiff CF14 3UZ).