

Company No. 5332194

ANNUAL REPORT AND FINANCIAL STATEMENTS
CARISBROOKE PROPERTY INVESTMENTS LIMITED
YEAR ENDED 30 JUNE 2010

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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

AUDITORS

Deloitte LLP
London

BANKERS

Anglo Irish Bank Corporation Limited
10 Old Jewry
London EC2 8DN

REGISTERED OFFICE

22 Grosvenor Square
London
W1K 6DT

REGISTERED NUMBER

5332194

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 2010

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

PRINCIPAL ACTIVITY

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

RESULTS AND DIVIDENDS

The retained loss for the year ended 30 June 2010 amounted to £10,700,084 (2009: £392,080 loss)

No dividend is proposed (2009: £nil)

IMPORTANT EVENTS SINCE THE YEAR END

There were no significant events affecting the company after the year end.

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 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 continue to do so at the date of the Directors' report.

CAVL has confirmed that it will provide funding to ensure that the Company can meet its liabilities as they fall due for a period of at least one year following the date of approval of these financial statements.

However, the CAVL financial statements have not been prepared on a going concern basis as its directors intend to sell the Group's investment property within a 12-18 month timeframe. Once the properties are sold, the Group and all of its subsidiary companies, including this Company, would cease to trade. In light of this intention, the directors have concluded that the Group and its subsidiary companies can no longer be considered to be a going concern. Accordingly, the financial statements of the Company have not been prepared on a going concern basis.

No adjustments to the Company's assets or liabilities were necessary.

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 until 30 June 2010 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 United Kingdom Generally Accepted Accounting Practice

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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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

AUDITOR

Deloitte 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 29 June 2011

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 2010 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 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 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 (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 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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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 June 2011

CARISBROOKE PROPERTY INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT**For the year ended 30 June 2010**

	Notes	2010 £	2009 £
Administrative expenses		(100)	(15)
OPERATING LOSS		<u>(100)</u>	<u>(15)</u>
Interest payable and similar charges	4	(752,636)	(850,348)
Impairment of investments	6	(10,158,086)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAX		<u>(10,910,822)</u>	<u>(850,363)</u>
Tax credit on loss on ordinary activities	5	<u>210,738</u>	<u>458,283</u>
RETAINED LOSS FOR THE YEAR	11	<u><u>(10,700,084)</u></u>	<u><u>(392,080)</u></u>

The loss 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.

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

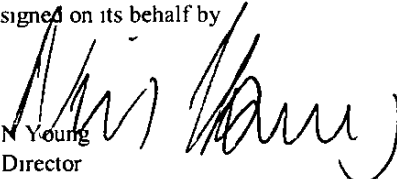
BALANCE SHEET

As at 30 June 2010

	Notes	2010 £	2009 £
TANGIBLE FIXED ASSETS			
Investments	6	532,029	10,694,756
CURRENT ASSETS			
Debtors	7	<u>967,412</u>	<u>756,681</u>
		967,412	756,681
CREDITORS: amounts falling due within one year	8	<u>(2,839,413)</u>	<u>(2,091,325)</u>
NET CURRENT LIABILITIES		(1,872,001)	(1,334,644)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,339,972)</u>	<u>9,360,112</u>
CREDITORS: amounts falling due after one year	9	<u>(10,566,360)</u>	<u>(10,566,360)</u>
NET LIABILITIES		<u><u>(11,906,332)</u></u>	<u><u>(1,206,248)</u></u>
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account	11	<u>(11,906,334)</u>	<u>(1,206,250)</u>
SHAREHOLDERS' DEFICIT	12	<u><u>(11,906,332)</u></u>	<u><u>(1,206,248)</u></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 29 June 2011 and signed on its behalf by


N Young
Director

DATE

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2010

1 ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention except for the revaluation of investment properties in accordance with SSAP 19 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 not been prepared on 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 continue to do so at the date of the Directors' report.

CAVL has confirmed that it will provide funding to ensure that the Company can meet its liabilities as they fall due for a period of at least one year following the date of approval of these financial statements.

However, the CAVL financial statements have not been prepared on a going concern basis as its directors intend to sell the Group's investment property within a 12-18 month timeframe. Once, the properties are sold, the Group and all of its subsidiary companies, including this Company, would cease to trade. In light of this intention, the directors have concluded that the Group and its subsidiary companies can no longer be considered to be a going concern. Accordingly, the financial statements of the Company have not been prepared on a going concern basis.

No adjustments to the Company's assets or liabilities were necessary.

Turnover

Turnover is stated net of VAT and trade discounts. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year. Turnover represents management fees charged to subsidiary companies.

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**For the year ended 30 June 2010****1 ACCOUNTING POLICIES (Cont.)*****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 tax, with the 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

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 draw up a cashflow statement in accordance with FRS1

Interest

Interest income and expense are accounted for on an accruals basis

Group Financial Statements

The company is exempt from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary of a parent company which prepares consolidated financial statements. As such these financial statements present information about the company as an individual undertaking and not about its group

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

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**For the year ended 30 June 2010****2 LOSS ON ORDINARY ACTIVITIES BEFORE TAX**

The audit fee for the year was £3,500 (2009 £3,500) They were paid by the ultimate parent company

The company had no employees during the year (2009 None)

3 DIRECTORS' EMOLUMENTS

No director received any emoluments for their services to the company during the year (2009 £nil)

4 INTEREST PAYABLE

	2010	2009
	£	£
Interest payable on intercompany loans	<u><u>752,636</u></u>	<u><u>850,348</u></u>

5 TAX CREDIT ON LOSS ON ORDINARY ACTIVITIES

	2010	2009
	£	£
UK corporation tax:		
Group relief	(210,738)	(238,098)
Prior year	<u>-</u>	<u>(220,185)</u>
Tax credit for the year	<u><u>(210,738)</u></u>	<u><u>(458,283)</u></u>

The tax assessed for the period differs from the standard rate of corporation tax in the UK 28% (2009 28%)
The differences are explained below

Loss On Ordinary Activities Before Tax	<u><u>(10,910,822)</u></u>	<u><u>(850,363)</u></u>
Tax on loss on ordinary activities at 28% (2009 28%)	(3,055,030)	(250,880)
Effects of:		
Disallowed expenses	28	-
Impairment of investments	2,844,264	-
Unrelieved tax losses	<u>-</u>	<u>220,185</u>
Current tax	<u><u>(210,738)</u></u>	<u><u>(30,695)</u></u>

The company has non trading loan relationship deficits of £Nil (2009 £746,320) available for offset against future non trading profits A deferred tax asset of £Nil (2009 £208,970) has not been recognised in respect of this as it is not anticipated that there will be suitable profits in the future against which to offset these amounts

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**For the year ended 30 June 2010****6 FIXED ASSET INVESTMENTS**

	2010 £	2009 £
Susidiary undertakings shares		
Cost		
At 1 July	10,694,756	10,694,756
Repayments	(4,641)	-
Impairment	<u>(10,158,086)</u>	<u>-</u>
At 30 June	<u>532,029</u>	<u>10,694,756</u>

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

GPF Investment Company Limited
Carisbrooke Central 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

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.

The UK property market remains volatile and timing and extent of any recovery is uncertain. Accordingly, the directors have reviewed the Company's investments and have reduced the value of these companies to reflect their net asset value at the balance sheet date.

7 DEBTORS

	2010 £	2009 £
Called up share capital not paid	2	2
Corporation tax - Group Relief	<u>967,410</u>	<u>756,679</u>
	<u>967,412</u>	<u>756,681</u>

CARISBROOKE PROPERTY INVESTMENTS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (Cont.)**

For the year ended 30 June 2010

8 CREDITORS: Amounts falling due within one year

	2010 £	2009 £
Other taxes	4,560	4,561
Amounts owed to group undertakings	<u>2,834,853</u>	<u>2,086,764</u>
	<u>2,839,413</u>	<u>2,091,325</u>

9 CREDITORS: Amounts falling due after one year

	2010 £	2009 £
Intercompany loans	<u>10,566,360</u>	<u>10,566,360</u>

The loan bears interest at 7.57% and has no fixed repayment date. On 6 August 2009, the interest rate on the loan was reduced to 6.5%.

10 SHARE CAPITAL

	2010 £	2009 £
<i>Allotted, called and unpaid</i>		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

11 PROFIT AND LOSS ACCOUNT

	2010 £	2009 £
At 1 July	(1,206,250)	(814,170)
Loss for the financial year	<u>(10,700,084)</u>	<u>(392,080)</u>
At 30 June	<u>(11,906,334)</u>	<u>(1,206,250)</u>

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2010 £	2009 £
At 1 July	(1,206,248)	(814,168)
Loss for the financial year	<u>(10,700,084)</u>	<u>(392,080)</u>
At 30 June	<u>(11,906,332)</u>	<u>(1,206,248)</u>

CARISBROOKE PROPERTY INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Cont.)**For the year ended 30 June 2010****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 (2009 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)