

**REGISTERED NUMBER: 05490933 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011  
FOR  
ASHFLAME SOLIHULL LIMITED**

TUESDAY



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**CONTENTS OF THE FINANCIAL STATEMENTS  
for the year ended 30 September 2011**

|   | <b>Page</b> |
|---|-------------|
| <b>Company Information</b>                | <b>1</b>    |
| <b>Report of the Directors</b>            | <b>2</b>    |
| <b>Report of the Independent Auditors</b> | <b>4</b>    |
| <b>Profit and Loss Account</b>            | <b>6</b>    |
| <b>Balance Sheet</b>                      | <b>7</b>    |
| <b>Notes to the Financial Statements</b>  | <b>8</b>    |

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**ASHFLAME SOLIHULL LIMITED**

**COMPANY INFORMATION**  
**for the year ended 30 September 2011**

**DIRECTORS:** A C Gallagher  
G H Gosling

**SECRETARY:** S A Burnett

**REGISTERED OFFICE:** 15 Hockley Court  
Hockley Heath  
Solihull  
West Midlands  
B94 6NW

**REGISTERED NUMBER:** 05490933 (England and Wales)

**AUDITORS:** BDO LLP  
125 Colmore Row  
Birmingham  
B3 3SD

**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)**

**REPORT OF THE DIRECTORS  
for the year ended 30 September 2011**

The directors present their report with the financial statements of the company for the year ended 30 September 2011

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of property investment

**REVIEW OF BUSINESS**

The company has a 50% investment in the Otium Solihull LP. The LP owns a leisure park which was fully let at 30 September 2011. Both the results for the year, and the year end financial position are considered disappointing. The directors consider future prospects to be satisfactory, and hope that increases in property values will benefit the company.

**DIVIDENDS**

No dividends were paid in the year ended 30 September 2011 (2010: £nil)

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2010 to the date of this report

A C Gallagher  
G H Gosling

**STATEMENT OF 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 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 accounting 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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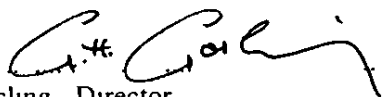
**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)**

**REPORT OF THE DIRECTORS**  
**for the year ended 30 September 2011**

**AUDITORS**

The auditors, BDO LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'G. H. Gosling', with a stylized flourish at the end.

G H Gosling - Director

Date 11 April 2012

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASHFLAME SOLIHULL LIMITED**

We have audited the financial statements of Ashflame Solihull Limited for the year ended 30 September 2011 profit and loss account, the balance sheet and the related notes. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page two, 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 financial statements 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 September 2011 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.

### **Opinion on other matter 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 AUDITORS TO THE MEMBERS OF ASHFLAME SOLIHULL 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



Mark Anslow (Senior Statutory Auditor)  
for and on behalf of BDO LLP, statutory auditor  
125 Colmore Row  
Birmingham  
B3 3SD

Date 11 April 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC 305127)

**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 September 2011**

|  | Notes | 30 9 11<br>£       | 30 9 10<br>£    |
|--|-------|--------------------|-----------------|
| <b>TURNOVER</b>  |       | -                  | -               |
| Administrative expenses                                |       | <u>(1,771,789)</u> | <u>(1,516)</u>  |
| <b>OPERATING LOSS</b>                                  | 3     | (1,771,789)        | (1,516)         |
| Income from participating interests                    |       | -                  | 33,741          |
| Interest receivable and similar income                 | 4     | -                  | 58              |
| Interest payable and similar charges                   | 5     | <u>(51,222)</u>    | <u>(50,375)</u> |
| <b>LOSS ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | (1,823,011)        | (18,092)        |
| Tax on loss on ordinary activities                     | 6     | <u>23,345</u>      | <u>5,507</u>    |
| <b>LOSS FOR THE FINANCIAL YEAR</b>                     |       | <u>(1,799,666)</u> | <u>(12,585)</u> |

**CONTINUING OPERATIONS**

All of the company's activities relate to continuing operations

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the losses for the current year or previous year

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**

There is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis


The notes form part of these financial statements

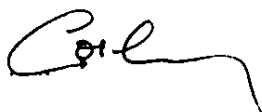


**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)****BALANCE SHEET**  
**30 September 2011**

|  | Notes | 30 9 11<br>£       | 30 9 10<br>£       |
|--|-------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                    |
| Investments                                  | 7     | <u>-</u>           | <u>707,369</u>     |
| <b>CURRENT ASSETS</b>                        |       |                    |                    |
| Debtors                                      | 8     | 356,785            | 1,419,705          |
| Cash at bank                                 |       | <u>35</u>          | <u>35</u>          |
|  |       | 356,820            | 1,419,740          |
| <b>CREDITORS</b>                             |       |                    |                    |
| Amounts falling due within one year          | 9     | <u>(2,090,914)</u> | <u>(2,061,537)</u> |
| <b>NET CURRENT LIABILITIES</b>               |       | <u>(1,734,094)</u> | <u>(641,797)</u>   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>(1,734,094)</u> | <u>65,572</u>      |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                    |
| Called up share capital                      | 10    | 2                  | 2                  |
| Profit and loss account                      | 11    | <u>(1,734,096)</u> | <u>65,570</u>      |
| <b>TOTAL SHAREHOLDERS' (DEFICIT)/ASSETS</b>  | 13    | <u>(1,734,094)</u> | <u>65,572</u>      |

The financial statements were approved by the Board of Directors on 11 April 2012 and were signed on its behalf by

  
G H Gosling - Director



The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2011**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently in both periods, is set out below.

**Limited partnerships**

Where the company has an interest in a limited partnership, the company's share of the limited partnership's net profit is accounted for using the equity method. Its share of profit following acquisition is taken to the profit and loss account with a corresponding increase in the investment. This profit is not considered to be a distributable reserve until cash is received from the limited partnership. Tax arising on the share of the limited partnership's profits is borne directly by the members and is therefore accounted for in the company.

**Cash flow statement**

The company is a wholly-owned subsidiary of Countywide Developments Limited and is included in the consolidated accounts of Countywide Developments Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised) - 'Cash flow statements'.

**Deferred tax**

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation at the current rate of tax. Deferred tax assets are only recognised when it is considered more likely than not that they will be realised.

**Going concern**

Notwithstanding the fact that at 30 September 2011 the company had net liabilities, the accounts have been prepared on a going concern basis as the company has received confirmation from Countywide Developments Limited, its parent undertaking, that it will not call for repayment of its intercompany loan until the company has sufficient funds to repay it.

**2 STAFF COSTS**

There were no staff costs for the year ended 30 September 2011 nor for the year ended 30 September 2010.

The average monthly number of employees during the year was as follows:

|           | 30 9 11<br>Number | 30 9 10<br>Number |
|-----------|-------------------|-------------------|
| Directors | <u>2</u>          | <u>2</u>          |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
for the year ended 30 September 2011

**3 OPERATING LOSS**

The operating loss is stated after charging

|                         | 30 9 11      | 30 9 10      |
|-------------------------|--------------|--------------|
|                         | £            | £            |
| Auditors' remuneration  | <u>1,500</u> | <u>1,500</u> |
| Directors' remuneration | <u>-</u>     | <u>-</u>     |

**4 INTEREST RECEIVABLE AND SIMILAR INCOME**

|                          | 30 9 11  | 30 9 10   |
|--------------------------|----------|-----------|
|                          | £        | £         |
| Deposit account interest | <u>-</u> | <u>58</u> |

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

|   | 30 9 11       | 30 9 10       |
|---|---------------|---------------|
|   | £             | £             |
| Interest payable on loans from group undertakings | <u>51,222</u> | <u>50,375</u> |
|   | <u>51,222</u> | <u>50,375</u> |

**6 TAXATION**

**Analysis of the tax credit**

The tax credit on the loss on ordinary activities for the year was as follows

|                                    | 30 9 11         | 30 9 10        |
|------------------------------------|-----------------|----------------|
|                                    | £               | £              |
| Current tax                        | -               | 9,447          |
| UK corporation tax                 | (23,345)        | (14,954)       |
| Group relief                       | (9,447)         | -              |
| Prior year corporation tax         | 9,447           | -              |
| Group relief prior year            | <u>9,447</u>    | <u>-</u>       |
| Tax on loss on ordinary activities | <u>(23,345)</u> | <u>(5,507)</u> |

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 30 September 2011**

**6 TAXATION - continued**

The current corporation tax credit differs from the standard UK corporation tax rate applied to the loss for the year. The differences are:

|   | 30 9 11         | 30 9 10        |
|---|-----------------|----------------|
|   | £               | £              |
| Loss on ordinary activities at the standard rate of 27% (2010: 28%) | (492,213)       | (5,066)        |
| Expenses not deductible for tax purposes                            | 468,868         | -              |
| Capital transactions  | -               | 423            |
| Transfer of capital gains   | -               | (423)          |
| Utilisation of tax losses   | -               | (423)          |
| Prior year tax  | -               | (18)           |
|   | <u>(23,345)</u> | <u>(5,507)</u> |

The amount of tax which would become payable in the event of realising the investment at its book value is approximately £Nil (2010: £201,000). No deferred tax provision has been made as there is no commitment to sell the investment.

**7 FIXED ASSET INVESTMENTS**

|                         | Investment<br>in LP<br>£ |
|-------------------------|--------------------------|
| <b>COST</b>             |                          |
| At 1 October 2010       | 707,369                  |
| Provision against value | <u>(707,369)</u>         |
| At 30 September 2011    | -                        |
| <b>NET BOOK VALUE</b>   |                          |
| At 30 September 2011    | <u>-</u>                 |
| At 30 September 2010    | <u>707,369</u>           |

**8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                  | 30 9 11        | 30 9 10          |
|----------------------------------|----------------|------------------|
|                                  | £              | £                |
| Amounts owed by joint venture LP | <u>356,785</u> | <u>1,419,705</u> |
|                                  | <u>356,785</u> | <u>1,419,705</u> |

**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 30 September 2011**

**9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 30 9 11          | 30 9 10          |
|------------------------------------|------------------|------------------|
|                                    | £                | £                |
| Amounts owed to group undertakings | 2,089,414        | 2,050,590        |
| Corporation tax                    | -                | 9,447            |
| Accruals and deferred income       | <u>1,500</u>     | <u>1,500</u>     |
|                                    | <u>2,090,914</u> | <u>2,061,537</u> |

**10 CALLED UP SHARE CAPITAL**

| Allotted, issued and fully paid |          |               | 30 9 11  | 30 9 10  |
|---------------------------------|----------|---------------|----------|----------|
| Number                          | Class    | Nominal value | £        | £        |
| 2                               | Ordinary | £1            | <u>2</u> | <u>2</u> |

**11 RESERVES**

|                      | Profit and loss account<br>£ |
|----------------------|------------------------------|
| At 1 October 2010    | 65,570                       |
| Deficit for the year | <u>(1,799,666)</u>           |
| At 30 September 2011 | <u>(1,734,096)</u>           |

**12 RELATED PARTY DISCLOSURES**

At 30 September 2011, Ashflame Solihull owed £2,089,414 (2010 £2,050,590) to Countywide Developments Limited, its ultimate parent undertaking. Interest is payable on this loan at 2% over the Bank of England base rate.

There are no other related party disclosures to be made concerning the year ended 30 September 2011 (2010 none).

**13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

|                                      | 30 9 11            | 30 9 10         |
|--------------------------------------|--------------------|-----------------|
|                                      | £                  | £               |
| Loss for the financial year          | <u>(1,799,666)</u> | <u>(12,585)</u> |
| Net reduction of shareholders' funds | (1,799,666)        | (12,585)        |
| Opening shareholders' funds          | <u>65,572</u>      | <u>78,157</u>   |
| Closing shareholders' funds          | <u>(1,734,094)</u> | <u>65,572</u>   |

**ASHFLAME SOLIHULL LIMITED (REGISTERED NUMBER: 05490933)**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the year ended 30 September 2011**

**14 CONTROLLING PARTY**

Ashflame Solihull Limited is a wholly owned subsidiary of Solihull Property Investments Limited, (incorporated in England and Wales) Solihull Property Investments Limited is controlled by Countywide Developments Limited (incorporated in England and Wales)

The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of the entire share capital of Countywide Developments Limited