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# **Moorpark Propco Limited**

Report And Financial Statements

*30 September 2011*

Rees Pollock  
Chartered Accountants

SATURDAY



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COMPANIES HOUSE

Moorpark Propco Limited

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COMPANY INFORMATION

<b>Directors</b>	D J Calderbank Y Yossifoff
<b>Company secretary</b>	Cornhill Secretaries Limited
<b>Registered office</b>	8 Baden Place Crosby Row London SE1 1YW
<b>Auditors</b>	Rees Pollock 35 New Bridge Street London EC4V 6BW
<b>Registered number</b>	05543325

## **DIRECTORS' REPORT**

For the year ended 30 September 2011

The directors present their report and the financial statements for the year ended 30 September 2011

### **Principal activities and review of business**

The principal activity of the company during the year was the letting of investment property

The investment property held at 30 September 2011 was valued at that date at £5,100,000

In the opinion of the directors, the result for the year and the financial position of the company at 30 September 2011 are satisfactory

### **Results and dividends**

The profit for the year, after taxation, amounted to £329,969 (2010 - £922,477)

The directors have not recommended payment of a dividend

### **Key performance indicators**

As the company has only one property, which is let to a single tenant on a long lease, there are no key performance indicators which are employed by the directors

### **Principle risks and uncertainties**

It is the company's that no trading in financial instruments shall be undertaken. The company only enters into derivative contracts as part of its risk mitigation strategy.

The company is exposed to interest rate risks, tenant credit risk, cash flow risks and market value risks. Details of its mitigation approaches are as follows:

Interest rate risk has been mitigated by the company only being party to fixed rate interest loans,

Tenant credit risk has been mitigated by the company only taking on appropriate tenants, with credit checks undertaken by Orbit Property Management Limited.

The company minimises its cash flow risk of non-performance on its loan agreements by minimising its tenant credit risk and by employing Orbit Property Management Limited as its management agents, utilising their specialist skills to ensure collection of rent takes place on time.

Concerning market value risk, the company's investment property values are determined by market forces outside of the company's control. A reduction in the market value of the investment property could give rise to a risk of default as the group loan funding includes loan to value covenants.

### **Directors**

The director who served during the year was

D J Calderbank

Y Yossifoff was appointed a director on 7 November 2011

## DIRECTORS' REPORT

For the year ended 30 September 2011

### Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

### Provision of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

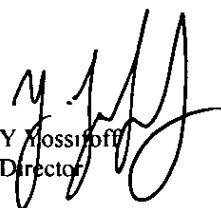
- so far as that directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
- that directors have taken all the steps that ought to have been taken as directors in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

### Auditors

Rees Pollock have expressed their willingness to continue in office as auditors.

This report was approved by the board on 30/11/2012

and signed on its behalf

  
Y. Mossinoff  
Director



# REESPOLLOCK

*Chartered Accountants*

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## INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF MOORPARK PROPCO LIMITED

We have audited the financial statements of Moorpark Propco Limited for the year ended 30 September 2011, set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable 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 auditors**

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 Directors' 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 September 2011 and of its profit 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.

Christopher Dimmick (Senior statutory auditor)

for and on behalf of

**Rees Pollock, Statutory Auditor**

4 December 2012

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

	<b>Note</b>	<b>2011 £</b>	<b>2010 £</b>
<b>TURNOVER</b>	1,2	335,194	331,362
Administrative expenses		(5,225)	(3,635)
Other operating charges		-	600,000
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		329,969	927,727
Tax on profit on ordinary activities	5	-	(5,250)
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<u>329,969</u>	<u>922,477</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account

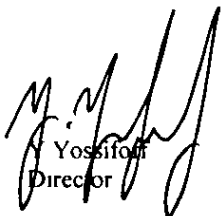
The notes on pages 6 to 9 form part of these financial statements

**BALANCE SHEET**  
As at 30 September 2011

	Note	£	2011 £	£	2010 £
<b>FIXED ASSETS</b>					
Investment property	6		5,100,000		5,100,000
<b>CURRENT ASSETS</b>					
Debtors	7		-		1,950
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,100,000		5,101,950
<b>CREDITORS:</b> amounts falling due after more than one year	8		(3,863,790)		(4,195,709)
<b>NET ASSETS</b>			1,236,210		906,241
<b>CAPITAL AND RESERVES</b>					
Called up share capital	10		1		1
Profit and loss account	11		1,236,209		906,240
<b>SHAREHOLDERS' FUNDS</b>	12		1,236,210		906,241

The financial statements were approved and authorised for issue by the board and were signed on

*30 November 2012.*

  
Yossifoff  
Director

The notes on pages 6 to 9 form part of these financial statements

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

**1 ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

**1.2 Going concern**

The company is dependent on the support of its parent and fellow group companies. The directors are confident that the parent company will continue to support the company and hence have prepared the accounts on a going concern basis. No assessment has been made of the effect should this assumption prove to be incorrect.

**1.3 Cash flow**

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

**1.4 Turnover**

Turnover comprises revenue recognised by the company in respect of rental income.

**1.5 Investment properties**

Investment properties are included in the balance sheet at their open market value in accordance with Statement of Standard Accounting Practice No 19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the director, necessary in order to give a true and fair view of the financial position of the company.

Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

**1.6 Deferred taxation**

Deferred taxation is provided on all timing differences, without discounting, calculated at the rate at which it is estimated that tax will be payable, except where otherwise required by accounting standards.

No provision is made for deferred tax on unrealised gains recognised on revaluing property to its market value.

**2 TURNOVER**

The whole of the turnover is attributable to the one principal activity of the company.

All turnover arose within the United Kingdom.

**3 OPERATING PROFIT**

Auditor's remuneration is met by Landfrost Limited, the immediate parent company.



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

**4 STAFF COSTS**

The company has no employees other than the directors, who did not receive any remuneration (2010 - £NIL)

**5 TAXATION**

	2011 £	2010 £
Adjustments in respect of prior periods	-	5,250
<b>Tax on profit on ordinary activities</b>	<b>-</b>	<b>5,250</b>

**Factors affecting tax charge for the year**

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 27% (2011 - 28%) The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	329,969	927,727
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27% (2011 - 28%)	89,092	259,764
<b>Effects of.</b>		
Expenses not deductible for tax purposes	-	(168,000)
Group relief received	(34,690)	(31,000)
Adjustments to tax charge in respect of prior periods	-	5,250
UK transfer pricing	(54,402)	(60,764)
<b>Current tax charge for the year (see note above)</b>	<b>-</b>	<b>5,250</b>

**6 INVESTMENT PROPERTY**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 October 2010 and 30 September 2011	5,100,000
The 2011 valuations were made by the directors, on an open market value for existing use basis The original cost of the property was £5,130,122	

**7 DEBTORS**

	2011 £	2010 £
Other debtors	-	1,950

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

**8 CREDITORS**

Amounts falling due after more than one year

	2011 £	2010 £
Amounts owed to group undertakings	3,863,790	4,195,709

**9 DEFERRED TAXATION**

No provision for deferred taxation has been made in respect of the property held as an investment which is included in these financial statements at a valuation of £5,100,000 (2010 £5,100,000)

**10 SHARE CAPITAL**

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1	1

**11 RESERVES**

	<b>Profit and loss account £</b>
At 1 October 2010	906,240
Profit for the year	329,969
At 30 September 2011	1,236,209

**12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2011 £	2010 £
Opening shareholders' funds/(deficit)	906,241	(16,236)
Profit for the year	329,969	922,477
Closing shareholders' funds	1,236,210	906,241

**13 CONTINGENT LIABILITIES**

The company's investment property is charged as security for bank loans advanced to the company's UK holding company, Landfrost Limited. At the balance sheet date the bank loans outstanding were £32,638,000.

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 30 September 2011

**14 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The company's immediate holding company is Landfrost Limited, a company incorporated in England and Wales  
The ultimate parent company is Dunan Limited, a BVI registered company controlled by Mr Y Yossifoff

**15 RELATED PARTY TRANSACTIONS**

At the balance sheet date £3,863,790 (2010 £4,195,709) was due to Landfrost Limited, a fellow group company

No interest accrues on these related party balances