

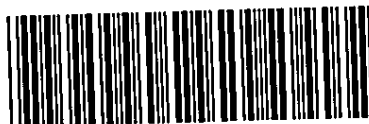
# Cuba Street Limited

Directors' report and  
financial statements

**From the date of incorporation  
(15 December 2005) to 31 March 2007**

*Registered Number 05655406*

SATURDAY



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# Cuba Street Limited

## Directors' report and financial statements

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# Cuba Street Limited

## Directors and other information

### Directors

B Fagan (appointed 15 December 2005)  
R Hardy (appointed 15 December 2005)  
T Farrow (appointed 27 September 2006)  
P Bacon (appointed 20 December 2006)

### Registered office

St Johns House  
5 South Parade  
Summertown  
Oxford  
OX2 7JL

### Registered number

05655406

### Secretary

B Fagan

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St Stephen's Green  
Dublin 2  
Ireland

### Solicitors

Howard Kennedy  
Harcourt House  
19 Cavendish Square  
London W1A 2AW

### Bankers

Allied Irish Bank  
1136 High Road  
North Finchley  
London  
N20 0RA

Anglo Irish Bank Corporation plc  
10 Old Jewry  
London  
EC2R 8DN

# Cuba Street Limited

## Directors' report

The directors present their report and audited financial statements for the period from incorporation (15 December 2005) to 31 March 2007

### Principal activity

The principal activity of the company during the period was property development

### Results and review of the business

A summary of the results of the trading for the period is given on page 7 of the financial statements. The loss for the period was £804,953

### Dividends

The directors do not recommend the payment of a dividend

### Directors

The directors who held office during the period are listed on page 1. Mr B Fagan was appointed director on 15 December 2005. Mr R Hardy was appointed director on 15 December 2005. Mr T Farrow was appointed a director of the company on 27 September 2006. Dr P Bacon was appointed a director of the company on 20 December 2006.

The directors serving at the period end did not hold beneficial interests in the issued share capital of group companies.

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

In accordance with Section 384 of the Companies Act 1985, a resolution for the reappointment of KPMG as auditor of the company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board

Director



19 June 2007

# Cuba Street Limited

## 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 period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 estimates that are reasonable and prudent, and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act, 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a directors' report that complies with the Companies Act, 1985.

On behalf of the board

Director





**KPMG**  
**Chartered Accountants**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

## **Independent auditor's report to the members of Cuba Street Limited**

We have audited the financial statements of Cuba Street Limited for the period from incorporation (15 December 2005) to 31 March 2007 which comprise the profit and loss account, balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act, 1985. 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 described in the statement of directors' responsibilities on page 3, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act, 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider implications for our report if we become aware of any apparent misstatements within it.

## Independent auditor's report to the members of Cuba Street Limited (*continued*)

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its results for the period then ended, and
- have been properly prepared in accordance with the Companies Act, 1985



*Chartered Accountants  
Registered Auditor*

19 June 2007

# Cuba Street Limited

## Statement of accounting policies

*for the period from incorporation (15 December 2005) to 31 March 2007*

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

### **Basis of preparation of financial statements**

The financial statements have been prepared in accordance with generally accepted accounting principles under the historical cost accounting convention and comply with financial reporting standards of the Accounting Standards Board

Ballymore Properties Holdings Limited has indicated that it will continue to provide funds to enable the company to meet its obligations as they fall due, and accordingly the financial statements have been prepared on a going concern basis

### **Consolidation**

The company has taken advantage of the exemption under S228 (2) of the Companies Act 1985, not to prepare consolidated financial statements

### **Turnover**

Turnover, which is stated net of VAT, represents the net invoice value of development sales contracts completed and rental income recognised on an accruals basis. Turnover is attributable to the principal activities of the company, and is earned entirely within the United Kingdom

### **Taxation**

Taxation is provided on taxable profits arising at current rates

Deferred taxation is accounted for, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date except as otherwise required by FRS 19 - *Deferred Tax*. Provision is made at the tax rates which are expected to apply in the periods in which the timing differences reverse. Deferred tax assets are recognised only to the extent that it is considered more likely than not they will be recovered

### **Stocks**

#### *Development properties*

Development properties are properties acquired for future development and properties on which only initial development has commenced. These are stated at the lower of cost and net realisable value. Net realisable value is defined as the current selling price of the completed development less all further costs to completion as estimated by the directors

### **Current financial assets**

The investment in the subsidiary undertaking is shown at cost less provision for any impairment in value where applicable



# Cuba Street Limited

## Profit and loss account

*for the period from incorporation (15 December 2005) to 31 March 2007*

	<i>Note</i>	<b>Period ended 31 March 2007 £</b>
<b>Turnover – continuing operations</b>	<i>1</i>	<b>23,895</b>
Cost of sales		-
		<hr/>
<b>Gross profit</b>		<b>23,895</b>
Administration expenses		<b>(185,421)</b>
		<hr/>
<b>Operating loss - continuing operations</b>	<i>2</i>	<b>(161,526)</b>
		<hr/>
<b>Loss on ordinary activities before interest</b>		<b>(161,526)</b>
Interest payable and similar charges	<i>3</i>	<b>(643,427)</b>
		<hr/>
<b>Loss on ordinary activities before taxation</b>	<i>4</i>	<b>(804,953)</b>
Taxation		-
		<hr/>
<b>Loss for the period</b>	<i>12</i>	<b>(804,953)</b>
		<hr/> <hr/>

The company had no recognised gains or losses in the financial period or in the preceding financial period other than those dealt with in the profit and loss account

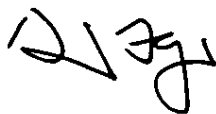
# Cuba Street Limited

## Balance sheet at 31 March 2007

	<i>Note</i>	<b>2007 £</b>
<b>Current assets</b>		
Stock	5	11,347,924
Debtors	6	186,133
Current financial assets	7	202,448
		<hr/>
		11,736,505
<b>Creditors: amounts falling due within one year</b>	8	(2,541,457)
		<hr/>
<b>Net current assets</b>		9,195,048
		<hr/>
<b>Total assets less current liabilities</b>		9,195,048
<b>Creditors: amounts falling due after one year</b>	9	(10,000,000)
		<hr/>
<b>Net assets</b>		(804,952)
		<hr/>
<b>Capital and reserves</b>		
Called up share capital	11	1
Profit and loss account	12	(804,953)
		<hr/>
<b>Shareholders' deficit</b>	13	(804,952)
		<hr/>

These financial statements were approved by the board of directors on 19 June 2007 and were signed on its behalf by

Director



# Cuba Street Limited

## Notes

*forming part of the financial statements*

### 1 Turnover

Period ended  
31 March  
2007  
£

Turnover is analysed as follows

Rental and sundry income 23,895

### 2 Operating loss

Period ended  
31 March  
2007  
£

Operating loss is stated after charging  
Auditor's remuneration

-

Audit fees are discharged by the parent company, Ballymore Properties Limited

### 3 Interest payable and similar charges

Period ended  
31 March  
2007  
£

On bank loans and overdrafts due to be repaid wholly within  
five years, none of which are repayable by instalments

643,427

# Cuba Street Limited

## Notes (continued)

### 4 Taxation on loss on ordinary activities

Period ended  
31 March  
2007  
£

Corporation tax

-

The current tax charge for the period differs from the standard rate of corporation tax (30%) The differences are explained below

2007  
£

*Current tax reconciliation*

Loss on ordinary activities before tax

(804,953)

Current tax at 30%

(241,486)

*Effects of*

Losses carried forward

241,486

Total current tax charge (see above)

-

### 5 Stock

2007  
£

Development properties stated at cost

11,347,924

Cuba Street Limited purchased Ballymore (Cuba Street) Limited (formerly Thompson and Son (Millwall) Limited) for a consideration of £7.25m in order to gain access to its development land. The land was transferred to Cuba Street Limited prior to the liquidation of Ballymore (Cuba Street) Limited.

The substance of the transaction was the acquisition of land for development purposes. Accordingly, the accounting treatment in Cuba Street Limited reflects the transaction as a land acquisition for £7.25m.

Cuba Street Limited also acquired at a cost of £4.1m development sites separate from the acquisition of Ballymore (Cuba Street) Limited.

There are no material differences between the replacement cost of stock and the balance sheet amounts.

# Cuba Street Limited

## Notes (continued)

<b>6 Debtors</b>	<b>2007</b>
	<b>£</b>
Trade debtors	184,845
Prepayments and accrued income	1,287
Amounts receivable from group companies	1
	<hr/>
	186,133
	<hr/>

<b>7 Current financial assets</b>	<b>2007</b>
	<b>£</b>
Investment in subsidiary undertaking	202,448
	<hr/>

<b>Subsidiary undertaking</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Percentage of shares held</b>
Ballymore (Cuba Street) Limited (formerly Thompson and Son (Millwall) Limited)	United Kingdom	Non trading	100%

It was resolved on 30 March 2007 that Ballymore (Cuba Street) Limited (formerly Thompson and Son (Millwall) Limited) be wound up as a members voluntary winding up

<b>8 Creditors: amounts falling due within one year</b>	<b>2007</b>
	<b>£</b>
Amounts owed to group undertakings	2,506,750
Accruals and deferred income	32,720
Taxation creditors	1,987
	<hr/>
	2,541,457
	<hr/>

<b>9 Creditors: amounts falling due after one year</b>	<b>2007</b>
	<b>£</b>
Bank loans (note 10)	10,000,000
	<hr/>

The bank loan is secured by fixed and floating charges over the assets of the company and cross guarantees by certain group undertakings

# Cuba Street Limited

## Notes (continued)

<b>10 Bank borrowings</b>	<b>Within one year</b>	<b>Between two and five years</b>	<b>Total £</b>
Repayable other than by instalments			
Bank loans	-	10,000,000	10,000,000
<b>11 Share capital</b>			<b>2007 £</b>
<i>Authorised</i>			
1,000 ordinary shares of £1 each			1,000
<i>Allotted, called up and fully paid</i>			
1 ordinary shares of £1 each			1
<b>12 Reconciliation of profit and loss account</b>			<b>2007 £</b>
Profit and loss account at beginning of period			-
Deficit for the period			(804,953)
Profit and loss account at end of period			(804,953)
<b>13 Reconciliation of movement in shareholders' funds</b>			<b>2007 £</b>
Shareholders' funds at beginning of period			1
Deficit for the period			(804,953)
Shareholders' funds at end of period			(804,952)

# Cuba Street Limited

## Notes (continued)

### 14 Related parties and control

The company is a subsidiary of Ballymore Properties Limited, a company incorporated in England and Wales. That company's parent is Ballymore Limited, a company incorporated in England and Wales, whose parent is Ballymore Properties Holdings Limited, a company incorporated in England and Wales. The company's ultimate parent company is Ballymore Properties, a company incorporated in the Republic of Ireland. The company was controlled throughout the period by Mr S Mulryan.

The largest group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Ballymore Properties.

The smallest group in which the results of the company and its subsidiary undertakings are consolidated is that headed by Ballymore Properties Holdings Limited. The consolidated financial statements of Ballymore Properties Holdings Limited are available from the company's registered office which is St Johns House, 5 South Parade, Summertown, Oxford, OX2 7JL.

The company has availed of the exemption available in FRS 8 – *Related Party Disclosures*, from disclosing transactions with Ballymore Properties Holdings Limited and its subsidiary companies.

### 15 Cash flow statement

A separate cash flow statement has not been prepared under FRS 1 - *Cash Flow Statements*, as a consolidated cash flow statement has been prepared and included in the consolidated financial statements of Ballymore Properties Holdings Limited and its subsidiaries.

### 16 Post balance sheet events

There are no significant post balance sheet events which would materially affect the financial statements.

### 17 Approval of financial statements

The directors approved the financial statements on 19 June 2007.