

Company Registration No. 05656372 (England and Wales)

**CEREP POOLE GP LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**



# **CEREP POOLE GP LIMITED**

## **COMPANY INFORMATION**

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**Directors**

R Hodges  
R Konigsberg  
E Sasson

**Secretary**

R Hodges

**Company number**

05656372

**Registered office**

4th Floor  
Imperial House  
15 Kingsway  
London  
WC2B 6UN

**Auditors**

RSM Tenon Audit Limited  
Cedar House  
Breckland  
Linford Wood  
Milton Keynes  
MK14 6EX

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# **CEREP POOLE GP LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 JUNE 2011***

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

### **Principal activities**

The principal activity of the company is to act as a General Partner of Limited Partnerships and as manager or operator of Limited Partnerships and other collective investment schemes

### **Directors**

The following directors have held office since 1 July 2010

R Hodges  
R Konigsberg  
E Sasson

### **Auditors**

RSM Tenon Audit Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006

### **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 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

# **CEREP POOLE GP LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2011**

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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

R Hodges



20/4/12

# **CEREP POOLE GP LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF CEREP POOLE GP LIMITED**

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We have audited the financial statements of CEREP Poole GP Limited for the year ended 30 June 2011 set out on pages 5 to 9. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 set out on pages 1 - 2, 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 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**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **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 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Emphasis of matter**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1.2 to the financial statements concerning the company's ability to continue as a going concern. The company is the General Partner of CEREP Poole Limited Partnership whose principal asset is in receivership. The company also incurred a loss of £5,135 during the year ended 30 June 2011 and, at that date, had net liabilities of £24,911. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as 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.

# CEREP POOLE GP LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF CEREP POOLE GP LIMITED

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#### 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 prepare the financial statements and the directors' report in accordance with the small companies regime

*RSM Tenon Audit Limited*

Philip Gale (Senior Statutory Auditor)  
for and on behalf of RSM Tenon Audit Limited

*26 April 2012*

Statutory Auditor

Cedar House  
Breckland  
Linford Wood  
Milton Keynes  
MK14 6EX

# CEREP POOLE GP LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 30 JUNE 2011**

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		2011	2010
	Notes	£	£
Administrative expenses		(5,135)	(4,969)
		<hr/>	<hr/>
Loss on ordinary activities before taxation	2	(5,135)	(4,969)
Tax on loss on ordinary activities	3	-	-
		<hr/>	<hr/>
Loss for the year	8	(5,135)	(4,969)
		<hr/>	<hr/>

# CEREP POOLE GP LIMITED

## BALANCE SHEET

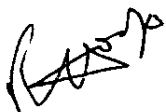
AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Investments	4		1		1
<b>Current assets</b>					
Debtors	5	-		1,067	
Cash at bank and in hand		25,552		240	
		<u>25,552</u>		<u>1,307</u>	
<b>Creditors' amounts falling due within one year</b>	6	<u>(50,464)</u>		<u>(21,084)</u>	
<b>Net current liabilities</b>			<u>(24,912)</u>		<u>(19,777)</u>
<b>Total assets less current liabilities</b>			<u>(24,911)</u>		<u>(19,776)</u>
<b>Capital and reserves</b>					
Called up share capital	7		2		2
Profit and loss account	8		<u>(24,913)</u>		<u>(19,778)</u>
<b>Shareholders' funds</b>			<u>(24,911)</u>		<u>(19,776)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 20/4/12

R Hodges  
Director



Company Registration No 05656372



# CEREP POOLE GP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

#### 1.2 Going Concern

The company is the General Partner of CEREP Poole Limited Partnership. Under the partnership agreement, the company's interest in the profits and losses of CEREP Poole Limited Partnership is 0.01%. On 5 March 2012, a receiver was appointed in respect of CEREP Poole Limited Partnership's principal asset. In addition, the company incurred a loss of £5,135 during the year ended 30 June 2011 and had net liabilities of £24,911 at that date.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the company's ability to continue as a going concern. However, in the opinion of the directors, there is no material difference in the valuation of assets and liabilities as between the going concern basis and break-up basis of accounting.

#### 1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

#### 1.4 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

### 2 Operating loss

	2011	2010
	£	£
Operating loss is stated after charging		
Auditors' remuneration	1,000	1,100

### 3 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

# CEREP POOLE GP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

### 4 Fixed asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 1 July 2010 & at 30 June 2011	1
<b>Net book value</b>	
At 30 June 2011	1
At 30 June 2010	1

#### Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
CEREP Poole (Dolphin Quays) Limited	England & Wales	Ordinary	100 00
Dolphin Quay Management Apartments Limited	England & Wales	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Principal activity	Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
CEREP Poole (Dolphin Quays) Limited	Dormant	1	-
Dolphin Quay Management Apartments Limited	Property Management	(12,843)	(2,016)

### 5 Debtors

	2011 £	2010 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	1,067

# CEREP POOLE GP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011

6	Creditors' amounts falling due within one year	2011 £	2010 £
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	46,384	17,101
	Other creditors	4,080	3,983
		<u>50,464</u>	<u>21,084</u>

7	Share capital	2011 £	2010 £
	<b>Authorised</b>		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<b>Allotted, called up and fully paid</b>		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

8	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 July 2010	(19,778)
	Loss for the year	<u>(5,135)</u>
	Balance at 30 June 2011	<u>(24,913)</u>

### 9 Control

The immediate parent company is CEREP II Sarl, a company registered in Luxembourg. In the opinion of the directors, the company's ultimate controlling party is The Carlyle Group, L L C, a company incorporated in Delaware, USA.

### 10 Related party transactions

CEREP Poole GP Limited is the General Partner of CEREP Poole Limited Partnership. Included within creditors is an amount of £29,283 (2010: £1,067 debit) due to CEREP Poole Limited Partnership and an amount of £17,100 (2010: £17,100) due to CEREP II Sarl. Also included within creditors is an amount of £1 (2010: £1) due to CEREP Poole (Dolphin Quays) Limited, a subsidiary undertaking.

Limited Partnership Registration No LP011207 (England and Wales)

**CEREP POOLE LIMITED PARTNERSHIP**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2011**

# **CEREP POOLE LIMITED PARTNERSHIP**

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# **CEREP POOLE LIMITED PARTNERSHIP**

## **GENERAL PARTNER'S REPORT FOR THE YEAR ENDED 30 JUNE 2011**

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The General Partner presents its report and financial statements for the year ended 30 June 2011

### **Business of the Limited Partnership**

The business of the Limited Partnership is to hold an investment in the property known as Dolphin Quays, Poole. The property will be managed in accordance with the principles of good estate management and to a standard consistent with the development of retail units.

### **Establishment of the Limited Partnership**

The Limited Partnership was established as CEREP Poole Limited Partnership by an agreement dated 24 May 2006. It is registered as a Limited Partnership in England under the Limited Partnership Act 1907.

### **Review of business**

Both the level of business and the year end financial position were as expected.

### **Results**

The Limited Partnership's results for the year are set out in the profit and loss account on page 5.

### **Post balance sheet events**

On 5 March 2012 a receiver was appointed in respect of the Limited Partnership's principal asset.

### **Auditors**

In accordance with the Limited Partnership's articles, a resolution proposing that RSM Tenon Audit Limited be reappointed as auditors of the Limited Partnership will be put at a General Meeting.

# **CEREP POOLE LIMITED PARTNERSHIP**

## **GENERAL PARTNER'S REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2011**

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### **Statement of the General Partner's responsibilities**

The General Partner is responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has 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 General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Limited Partnership and of the profit or loss of the Limited Partnership for that period. In preparing these financial statements, the General Partner is 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 Limited Partnership will continue in business.

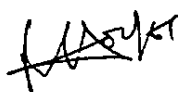
The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Limited Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Limited Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditor**

So far as the General Partner is aware, there is no relevant audit information of which the Limited Partnership's auditors are unaware. Additionally, the General Partner has taken all the necessary steps that it ought to have taken as the General Partner in order to make itself aware of all relevant audit information and to establish that the Limited Partnership's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

**For and on behalf of the General Partner**



**Director of CEREP Poole GP Limited**

Dated 20/4/12

# **CEREP POOLE LIMITED PARTNERSHIP**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF CEREP POOLE LIMITED PARTNERSHIP**

We have audited the financial statements of CEREP Poole Limited Partnership for the year ended 30 June 2011 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Limited Partnership'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 Limited Partnership'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 Limited Partnership and the Limited Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the General Partner and auditors**

As explained more fully in the General Partner's Responsibilities Statement set out on page 2, the General Partner is 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 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. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

#### **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 limited partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the general partner and the overall presentation of the financial statements.

#### **Basis for disclaimer of opinion on financial statements**

In seeking to form an opinion on the financial statements we considered the implications of the significant uncertainties disclosed in the financial statements concerning the following matters:

- As explained in notes 1.2 and 4, a receiver was appointed in respect of the limited partnership's property on 5 March 2012. The property is included within the financial statements at a value of £13,500,000. There is significant uncertainty as to whether the carrying value will be realised in a sale by the receiver.
- As explained in notes 1.2 and note 5, there is no assurance that the limited partnership will realise any value for the contributions made to the tenants in respect of the fitting out of premises on new tenancies.

There is potential for the uncertainties to interact with one another such that we have been unable to obtain sufficient appropriate audit evidence regarding the possible effect of the uncertainties taken together.

#### **Disclaimer of opinion on financial statements**

Because of the significance of the matters described in the Basis for Disclaimer of Opinion on Financial Statements, we have not been able to obtain sufficient appropriate evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on the financial statements.

#### **Opinion on other matter prescribed by the Companies Act 2006**

Notwithstanding our disclaimer of an opinion on the financial statements, in our opinion the information given in the General Partner's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# CEREP POOLE LIMITED PARTNERSHIP

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF CEREP POOLE LIMITED PARTNERSHIP

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#### Matters on which we are required to report by exception

Arising from the limitation of our work referred to above

- we have not obtained all the information and explanations we considered necessary for the purpose of our audit, and
- we were unable to determine whether adequate accounting records have been kept

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 remuneration specified by law are not made, or
- the General Partner was not entitled to prepare the financial statements and the General Partner's report in accordance with the small companies regime

*RSM Tenon Audit Limited*

Philip Gale (Senior Statutory Auditor)  
for and on behalf of RSM Tenon Audit Limited

*26 April 2012*

Statutory Auditor

Cedar House  
Breckland  
Linford Wood  
Milton Keynes  
MK14 6EX

## CEREP POOLE LIMITED PARTNERSHIP

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2011

	Notes	2011 £	2010 £
Turnover		807,841	646,719
Cost of sales		(113,516)	(145,169)
Gross profit		694,325	501,550
Administrative expenses		(440,994)	(471,723)
Operating profit	2	253,331	29,827
Other interest receivable and similar income	3	1,977	4,965
Interest payable and similar charges		(997,381)	(1,119,103)
Loss on ordinary activities		(742,073)	(1,084,311)

# CEREP POOLE LIMITED PARTNERSHIP

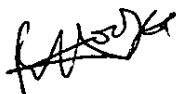
## BALANCE SHEET

AS AT 30 JUNE 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	4	13,500,000		13,500,000	
<b>Current assets</b>					
Debtors	5	1,038,996		599,494	
Cash at bank and in hand		258		83,781	
		<u>1,039,254</u>		<u>683,275</u>	
<b>Creditors amounts falling due within one year</b>	6	<u>(24,338,321)</u>		<u>(786,434)</u>	
<b>Net current liabilities</b>		<u>(23,299,067)</u>		<u>(103,159)</u>	
<b>Total assets less current liabilities</b>		<u>(9,799,067)</u>		<u>13,396,841</u>	
<b>Creditors amounts falling due after more than one year</b>	7	<u>-</u>		<u>(22,488,835)</u>	
		<u>(9,799,067)</u>		<u>(9,091,994)</u>	
<b>Capital and reserves</b>					
Revaluation reserve	9	(8,105,528)		(8,105,528)	
Other reserves	9	5,351,510		5,316,510	
Profit and loss account	9	<u>(7,045,049)</u>		<u>(6,302,976)</u>	
<b>Partners' funds</b>		<u>(9,799,067)</u>		<u>(9,091,994)</u>	

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the General Partner for issue on 20/4/12



Director of CEREP Poole GP Limited

# **CEREP POOLE LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2011**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and in accordance with the requirements of Regulation 4 of The Partnerships and Unlimited Companies (Accounts) Regulations 1993

#### **1.2 Going concern**

The purpose of the Limited Partnership is to hold an investment in the property known as Dolphin Quays, Poole. This property represents the entirety of the fixed assets and business of the Limited Partnership. As at the date of approval of these financial statements, the property is in the hands of a receiver appointed by Anglo Irish Bank.

The financial statements have been prepared on a going concern basis. The main assumptions implicit in the going concern basis for the Limited Partnership are that the investment property is realisable at the amount shown in note 4 and that contributions made to the tenants in respect of the fitting out of premises as shown in note 5 will be recovered through future rental incomes.

#### **1.3 Turnover**

Turnover comprises rental income and other income. Rental income is recognised in accordance with the terms of the rental agreement over the term the agreement relates to. All other income is recognised on an accruals basis.

#### **1.4 Investment properties**

Investment properties, comprising long leasehold land and buildings, are stated at open market value in accordance with the Financial Reporting Standard for Smaller Entities. Surpluses or deficits on revaluation of the investment properties are taken to the revaluation reserve. No provision is made for depreciation of freehold properties or for amortisation of leasehold properties held on leases having more than 20 years unexpired. This departure from the requirements of the Companies Act 2006, which requires all properties to be depreciated, is, in the opinion of the General Partner, necessary for the financial statements to show a true and fair view in accordance with applicable accounting standards.

The depreciation or amortisation (which would, had the provisions of the Act been followed, have reduced income for the year) is only one of the factors reflected in the annual valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

The investment property includes additions to cost in the year in relation to the refurbishment of the property. These costs have not been depreciated as no depreciation is provided on investment properties in accordance with the Financial Reporting Standard for Smaller Entities.

#### **1.5 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### **1.6 Taxation**

The Limited Partnership is not subject to income tax as all income and expenses of the Limited Partnership flow through to each Partner individually.

# CEREP POOLE LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

### 1 Accounting policies (continued)

#### 1.7 Loans and interest payable

All loans are stated at the net proceeds received less issue costs. Issue costs are amortised over the term of the borrowings and included in interest payable.

Interest payable comprises the interest expense of the borrowing plus amortised issue costs and is accounted for on an accruals basis.

2 Operating profit	2011 £	2010 £
Operating profit is stated after charging		
Auditors' remuneration	7,250	6,750

3 Investment income	2011 £	2010 £
Bank interest	1,977	4,965
	1,977	4,965

4 Tangible fixed assets	Investment properties £
<b>Cost or valuation</b>	
At 1 July 2010 & at 30 June 2011	13,500,000
<b>Net book value</b>	
At 30 June 2011	13,500,000
At 30 June 2010	13,500,000

The long leasehold land and buildings is in respect of Dolphin Quays, Poole and is stated at valuation. The property was revalued to £13,500,000 based upon a valuation of the property by GVA Grimley, Chartered Surveyors dated 13 September 2010. That valuation quoted a valuation of £12,250,000 on the basis of existing tenancies at the date of valuation and a higher valuation of £16,000,000 on the basis of existing and prospective tenancies. The amount incorporated within these financial statements of £13,500,000 takes account of tenancies subsequent to the GVA Grimley valuation.

The investment property is subject to a fixed and floating charge in favour of Anglo Irish Bank. Details of the loan are described in note 7.

On 5 March 2012 Anglo Irish Bank appointed a receiver in respect of the property.

# CEREP POOLE LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

5 Debtors	2011 £	2010 £
Trade debtors	392,734	342,286
Amounts owed by group undertakings and undertakings in which the company has a participating interest	29,283	-
Other debtors	616,979	257,208
	<u>1,038,996</u>	<u>599,494</u>

Included within other debtors is a balance of £180,501 (2010 - £77,948) which represents a deposit account jointly controlled with CEREP Bedford Sarl

Also included in other debtors are contributions to tenants in respect of the fitting out of premises amounting to £298,233

6 Creditors: amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	13,745,884	-
Trade creditors	-	11,727
Amounts owed to group undertakings and undertakings in which the company has a participating interest	10,274,667	302,124
Taxation and social security	47,098	-
Other creditors	270,672	472,583
	<u>24,338,321</u>	<u>786,434</u>

# CEREP POOLE LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

7 Creditors' amounts falling due after more than one year	2011	2010
	£	£
Bank Loan	-	13,874,819
Loan due to CEREP II Finance Sarl	-	8,614,016
	<u>-</u>	<u>22,488,835</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	13,745,884	22,488,835
Included in current liabilities	(13,745,884)	-
	<u>-</u>	<u>22,488,835</u>
Bank Loan	-	13,874,819
Less loan issue costs (net)	-	-
	<u>-</u>	<u>13,874,819</u>

On 31 May 2006, the Limited Partnership borrowed £13,875,000 from Anglo Irish Bank which is secured by way of a fixed charge over Dolphin Quays, and a fixed and floating charge over certain assets of the Limited Partnership and the rights of the Limited Partnership Agreement. The loan was repayable in full by 31 January 2012 with interest being charged at LIBOR plus 2%. As at 30 June 2011, the balance outstanding was £13,745,884. On 5 March 2012 Anglo Irish Bank appointed a receiver in respect of Dolphin Quays.

CEREP Bedford Sarl is a company under common control. CEREP Bedford Sarl has borrowed from Anglo Irish Bank. The Loans to CEREP Poole Limited Partnership and CEREP Bedford Sarl are cross secured. At 30 June 2011 the borrowings of CEREP Bedford Sarl secured under the agreement were £13,759,502.

As at 30 June 2011, the Limited Partnership had borrowed £6,559,000 (2010 £6,559,000) from CEREP II Finance Sarl under a subordinated loan agreement which is secured by way of a floating charge over the assets of the Limited Partnership. The maximum principal amount of the facility is £7,006,000. As at 30 June 2011 accrued interest amounted to £2,587,024 (2010 £2,055,016). The loan was repayable in full by 24 May 2012 with interest being charged at a fixed rate of 8% per annum and the total amount due to CEREP II Finance Sarl of £9,146,023 is included in creditors' amounts falling due within one year.

## 8 Profit share payable to the General Partner

In accordance with the Partnership Deed dated 29 May 2006, CEREP Poole GP Limited, as General Partner is entitled to 0.01% of any profits or losses that the Limited Partnership makes.

# CEREP POOLE LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2011

### 9 Partners' accounts

	Capital Contribution	Revaluation Reserve	Profit and Loss	Total
	£	£	£	£
Balance at 1 July 2010	5,316,510	(8,105,528)	(6,302,976)	(9,091,994)
Transfer from profit and loss for the year	-	-	(742,073)	(742,073)
Capital contribution during the year	35,000	-	-	35,000
Balance at 30 June 2011	<u>5,351,510</u>	<u>(8,105,528)</u>	<u>(7,045,049)</u>	<u>(9,799,067)</u>

### 10 Contingent liabilities

The Limited Partnership and CEREP Bedford Sarl have cross secured the bank borrowings of each entity in favour of Anglo Irish Bank. As at 30 June 2011 the bank borrowings of CEREP Bedford Sarl amounted to £13,759,502 (2010 - £13,759,702)

### 11 Control

The immediate parent company of the Limited Partnership is CEREP Poole Sarl, a company registered in Luxembourg. In the opinion of the General Partner, the Limited Partnership's ultimate controlling party is The Carlyle Group, L L C, a company incorporated in Delaware, USA. The Carlyle Group, L L C, is the parent company of CEREP GP II, L L C, which is the General Partner of Carlyle Europe Real Estate Partners II L P, which is the intermediate controlling party for CEREP Poole Limited Partnership.

### 12 Post balance sheet events

Under the terms of the bank facility, a receiver was appointed in respect of the Limited Partnership's principal asset, Dolphin Quays on 5 March 2012.



# **CEREP POOLE LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 30 JUNE 2011***

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### **13 Related party relationships and transactions**

CEREP Poole GP Limited is the General Partner of CEREP Poole Limited Partnership. Included within debtors is an amount of £4,763 (2010 £1,067 credit) owed to CEREP Poole GP Limited.

CEREP Poole Sarl is a company under common control. At 30 June 2011 an amount of £62,291 (2010 £74,506) was due to CEREP Poole Sarl from the Limited Partnership.

CEREP Bedford Sarl is a company under common control. At 30 June 2011 an amount of £1,026,977 (2010 £194,826) was due to CEREP Bedford Sarl from the Limited Partnership.

CEREP II Finance Sarl provides the Limited Partnership with loan finance, and this is described in note 7.

Skelton Group Investments Limited is a related party. Skelton Group Investments Limited has invested £500,000 into the Limited Partnership by way of a capital contribution on which interest has been charged at 8%. At the beginning of the year the Limited Partnership owed Skelton Group Investments Limited £163,397 in accrued interest. The General Partner is of the opinion that there is no expectation that this should be paid and therefore the balance has been written off.

CEREP II Sarl is a related party, as at 30 June 2011 £39,375 was due to CEREP II Sarl (2010 £31,725).

Carlyle Investment Management LLC is a related party. During the year CEREP Poole Limited Partnership was charged £72,029 (2010 £Nil) for advisory services. At the year end £Nil (2010 £Nil) was due to Carlyle Management LLC.