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Registration number 05869955

Allibay 2 Limited
Directors' report and financial statements
for the period ended 31 December 2007

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Allibay 2 Limited

Company information

Directors	M J M Philips
Secretary	HK Registrars Ltd
Company number	05869955
Registered office	19 Cavendish Square London W1A 2AW
Auditors	J B Klein & Partners 10 Argyll Street London W1F 7TQ

Allibay 2 Limited

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Allibay 2 Limited

Directors' report for the period ended 31 December 2007

The directors present their report and the financial statements for the period ended 31 December

Incorporation

The company was incorporated on 7 July 2006 as Allibay 2 Limited. The company commenced trade on 7 July 2006.

Principal activity

The company is a designated member of Millharbour LLP 2 whose principal activity is that of property development.

Results and dividends

The results for the period are set out on page 5.

These financial statements reflects the company's share from the limited liability partnership.

Directors

The directors who served during the period are as stated below:

M J M Philips

H K Nominees Ltd

Directors' responsibilities

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the 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 apply them consistently;
- make judgements and 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Allibay 2 Limited

**Directors' report
for the period ended 31 December 2007**

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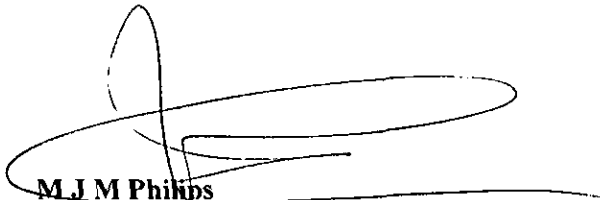
Auditors

J B Klein & Partners were appointed auditors to the company and in accordance with Section 385 of the Companies Act 1985, a resolution proposing their reappointment will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

11 MAY 2009

This report was approved by the Board on and signed on its behalf by



M J M Philips
Director

Allibay 2 Limited

Independent auditors' report to the shareholders of Allibay 2 Limited

We have audited the financial statements of Allibay 2 Limited for the period ended 31 December 2007 which comprise the profit and loss account, the 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 the implications for our report if we become aware of any apparent misstatements within it.

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 judgements 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.

Allibay 2 Limited

Independent auditors' report to the shareholders of Allibay 2 Limited continued

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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Emphasis of Matter - Going Concern

In forming our opinion, on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 8 to the financial statements concerning the company's ability to continue as a going concern. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include adjustments that would result if the company was unable to continue as a going concern.



J B Klein & Partners
Chartered Certified Accountants and
Registered Auditors

10 Argyll Street
London
W1F 7TQ

11 MAY 2009

Allibay 2 Limited

**Profit and loss account
for the period ended 31 December 2007**

Continuing operations

**Year
ended
31/12/07**

£

Notes

Administrative expenses		(33,821)
Other operating income		337,118
Operating profit	2	<u>303,297</u>
Other interest receivable and similar income		18,051
Interest payable and similar charges	3	<u>(2,264,693)</u>
Loss on ordinary activities before taxation		(1,943,345)
Tax on loss on ordinary activities		<u>-</u>
Loss on ordinary activities after taxation		<u>(1,943,345)</u>
Loss for the period		<u><u>(1,943,345)</u></u>

There are no recognised gains or losses other than the profit or loss for the above financial period.

The notes on pages 7 to 8 form an integral part of these financial statements.

Allibay 2 Limited

**Balance sheet
as at 31 December 2007**

		31/12/07	
	Notes	£	£
Current assets			
Debtors	4	<u>1</u>	
		1	
Creditors: amounts falling due within one year	5	<u>(1,943,345)</u>	
Net current liabilities			<u>(1,943,344)</u>
Deficiency of assets			<u>(1,943,344)</u>
Capital and reserves			
Called up share capital	6		1
Profit and loss account			<u>(1,943,345)</u>
Equity shareholders' funds	7		<u>(1,943,344)</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

11 MAY 2009

The financial statements were approved by the Board on and signed on its behalf by



M J M Philips
Director

The notes on pages 7 to 8 form an integral part of these financial statements.

Allibay 2 Limited

Notes to the financial statements for the period ended 31 December 2007

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Results

The results reflect the company's share from its 33.34% investment in Millharbour 2 LLP.

The company's share of the gross assets and liabilities of the LLP as at 31 March 2007 are as follows:

Current assets	£28,190,225
Liabilities due within one year	£46,264
Liabilities due after one year or more	£28,546,516

2. Operating profit

Operating profit is stated after charging:
Auditors' remuneration

**Year
ended
31/12/07
£

4,558**

3. Interest payable and similar charges

Included in this category is the following:

On loans repayable between two and five years

**Year
ended
31/12/07
£

2,264,693**

4. Debtors

Other debtors

**31/12/07
£

1**

Allibay 2 Limited

Notes to the financial statements for the period ended 31 December 2007

..... continued .

5. Creditors: amounts falling due within one year	31/12/07
	£
Other creditors	1,941,620
Accruals and deferred income	1,725
	<u>1,943,345</u>
6. Share capital	31/12/07
	£
Authorised equity	
1,000 Ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid equity	
1 Ordinary shares of £1 each	<u>1</u>
7. Reconciliation of movements in shareholders' funds	31/12/07
	£
Loss for the period	(1,943,345)
Net proceeds of equity share issue	1
Net addition to shareholders' funds	<u>(1,943,344)</u>
8. Going concern	

As stated, the results reflect the company's share from it's investment in Millharbour 2 LLP. Consequently, the company's ability to continue as a going concern depends on the successful conclusion of the financing of the LLP's loan facilities. These conditions cast significant doubt on the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.