

TREWHIDDLE VILLAGE LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2011

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COMPANIES HOUSE

TREWHIDDLE VILLAGE LIMITED

COMPANY INFORMATION

DIRECTORS

J M Goldsmith
R B Green (resigned 1 November 2010)
A Wild (appointed 24 October 2011)
M D Spence (appointed 24 October 2011)
T Dennis (appointed 24 October 2011)
E J Kearney (appointed 24 October 2011)

COMPANY NUMBER

06116464

REGISTERED OFFICE

Whitecroft House
51 Water Lane
Wilmslow
Cheshire
SK9 5BQ

AUDITORS

Bishop Fleming
Chartered Accountants & Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

TREWHIDDLE VILLAGE LIMITED

CONTENTS

	Page
Directors' report	1
Directors' responsibilities statement	2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 12

TREWHIDDLE VILLAGE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2011

The directors present their report and the financial statements for the period ended 31 March 2011

PRINCIPAL ACTIVITIES

The principal activity of the company is holiday villa development and letting

DIRECTORS

The directors who served during the period were

J M Goldsmith
R B Green (resigned 1 November 2010)
A Wild (appointed 24 October 2011)
M D Spence (appointed 24 October 2011)
T Dennis (appointed 24 October 2011)
E J Kearney (appointed 24 October 2011)

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the period the company made a charitable donation to Children's Hospice South West of £2,000

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 director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director 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

The auditors, Bishop Fleming, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

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



A Wild
Director

Date *23-3-2012*

Whitecroft House
51 Water Lane
Wilmslow
Cheshire
SK9 5BQ

TREWHIDDLE VILLAGE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 MARCH 2011

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 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.

TREWHIDDLE VILLAGE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF TREWHIDDLE VILLAGE LIMITED

We have audited the financial statements of Trehwiddle Village Limited for the period ended 31 March 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 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.

QUALIFIED OPINION ON FINANCIAL STATEMENTS ARISING FROM LIMITATION IN AUDIT SCOPE

With respect to work in progress and investment properties, having carrying amounts of £3,613,474 and £8,414,122 respectively, the audit evidence available to us was limited because we were unable to ascertain their current net realisable values. Owing to the nature of the company's records we were unable to obtain sufficient appropriate audit evidence regarding the stock value using other audit procedures.

Except for the financial effects of such adjustments, if any, as may have been determined to be necessary had we been able to satisfy ourselves as to the carrying value of the work in progress and investment properties, in our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its loss for the period 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 we have considered the adequacy of disclosure made in the financial statements concerning the company's ability to continue as a going concern. The company, as at 31 March 2011, had net liabilities of £3,866,420 and made a loss of £624,373 in the year. 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 any adjustments that would result from failure to continue as a going concern. Details of the circumstances relating to this emphasis of matter are described in note 13. Our opinion is not qualified in this respect.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

TREWHIDDLE VILLAGE LIMITED


INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF TREWHIDDLE VILLAGE LIMITED

In our opinion the information given in the Directors' report for the financial period 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report



Ian Fraser FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming

Chartered Accountants

Statutory Auditors

Chy Nyverow

Newham Road

Truro

Cornwall

TR1 2DP

Date 29-3-2012

TREWHIDDLE VILLAGE LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 MARCH 2011**

	Note	Period ended 31 March 2011 £	Year ended 28 February 2010 £
TURNOVER	1	69,473	7,936
Cost of sales		-	(101,478)
GROSS PROFIT/(LOSS)	2	69,473	(93,542)
Administrative expenses		(398,256)	(375,047)
OPERATING LOSS	2	(328,783)	(468,589)
Interest payable and similar charges		(295,590)	(214,052)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(624,373)	(682,641)
Tax on loss on ordinary activities		-	-
LOSS FOR THE FINANCIAL PERIOD		(624,373)	(682,641)

The notes on pages 8 to 12 form part of these financial statements

TREWHIDDLE VILLAGE LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD ENDED 31 MARCH 2011**

	Period ended 31 March 2011	Year ended 28 February 2010
Note	£	£
LOSS FOR THE FINANCIAL PERIOD	(624,373)	(682,641)
Unrealised deficit on revaluation of investment properties	<u>(353,142)</u>	<u>-</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE PERIOD	<u>(977,515)</u>	<u>(682,641)</u>

The notes on pages 8 to 12 form part of these financial statements

TREWHIDDLE VILLAGE LIMITED
REGISTERED NUMBER: 06116464

BALANCE SHEET
AS AT 31 MARCH 2011

		31 March 2011	28 February 2010
	Note	£	£
FIXED ASSETS			
Tangible assets	4	260,056	197,267
Investment property	5	8,414,122	4,800,000
		<u>8,674,178</u>	<u>4,997,267</u>
CURRENT ASSETS			
Stocks		3,613,474	3,796,284
Debtors	6	114,837	357,766
Cash at bank and in hand		15,900	32,135
		<u>3,744,211</u>	<u>4,186,185</u>
CREDITORS: amounts falling due within one year	7	<u>(630,913)</u>	<u>(514,835)</u>
NET CURRENT ASSETS		<u>3,113,298</u>	<u>3,671,350</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,787,476</u>	<u>8,668,617</u>
CREDITORS: amounts falling due after more than one year	8	<u>(15,653,896)</u>	<u>(11,557,522)</u>
NET LIABILITIES		<u><u>(3,866,420)</u></u>	<u><u>(2,888,905)</u></u>
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Investment property reserve	10	(1,054,277)	(701,135)
Profit and loss account	10	(2,812,144)	(2,187,771)
SHAREHOLDERS' DEFICIT		<u><u>(3,866,420)</u></u>	<u><u>(2,888,905)</u></u>

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

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


A Wild
 Director

Date 23-3-2012

The notes on pages 8 to 12 form part of these financial statements

TREWHIDDLE VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 GOING CONCERN

These financial statements have been prepared on the going concern basis. This basis may not be appropriate as, at the balance sheet date, the company had net liabilities of £3,866,420 and made a loss of £624,373.

However, due to the continued support of the company's bankers, and related parties, the director is confident that the company has adequate resources to trade for the foreseeable future. In making this assessment, the director has considered the expected future financial needs and performance of the company, and the plans in place to meet those needs.

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	25% straight line
Office equipment	-	33% straight line

1.5 INVESTMENT PROPERTIES

Investment properties are included in the Balance sheet at their open market value in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) 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 directors, necessary in order to give a true and fair view of the financial position of the company.

1.6 STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. OPERATING LOSS

The operating loss is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	87,265	11,716
Auditors' remuneration	8,000	5,000
	<u> </u>	<u> </u>

TREWHIDDLE VILLAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2011**

3. DIRECTORS' REMUNERATION

	2011 £	2010 £
Aggregate emoluments	-	22,500

4 TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
COST				
At 1 March 2010	-	209,619	2,089	211,708
Additions	2,606	146,999	449	150,054
At 31 March 2011	2,606	356,618	2,538	361,762
DEPRECIATION				
At 1 March 2010	-	13,428	1,013	14,441
Charge for the period	506	85,991	768	87,265
At 31 March 2011	506	99,419	1,781	101,706
NET BOOK VALUE				
At 31 March 2011	2,100	257,199	757	260,056
At 28 February 2010	-	196,191	1,076	197,267

5 INVESTMENT PROPERTY

	Freehold investment property £
COST	
At 1 March 2010	4,800,000
Additions at cost	3,967,264
Surplus/(deficit) on revaluation	(353,142)
At 31 March 2011	8,414,122
The 2011 valuations were made by the director, on an open market value for existing use basis	
REVALUATION RESERVES	
At 1 March 2010	(701,135)
Net deficit in investment properties	(353,142)
At 31 March 2011	(1,054,277)

TREWHIDDLE VILLAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2011**

6 DEBTORS

	31 March 2011 £	28 February 2010 £
VAT repayable	-	46,256
Prepayments	89,767	47,352
Accrued income	445	445
Other debtors	24,625	263,713
	114,837	357,766

**7. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 March 2011 £	28 February 2010 £
Trade creditors	119,172	38,283
Social security and other taxes	5,697	-
Accruals	505,546	432,970
Other creditors	498	43,582
	630,913	514,835

**8 CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31 March 2011 £	28 February 2010 £
Bank loans	6,645,000	6,643,625
Other loans	9,008,896	4,913,897
	15,653,896	11,557,522

Included within the above are amounts falling due as follows

	31 March 2011 £	28 February 2010 £
BETWEEN TWO AND FIVE YEARS		
Bank loans	6,645,000	6,643,625
OVER FIVE YEARS		
Other loans	9,008,896	4,913,897

TREWHIDDLE VILLAGE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2011**

**8 CREDITORS.
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

Creditors include amounts not wholly repayable within 5 years as follows

	31 March 2011 £	28 February 2010 £
Repayable other than by instalments	9,008,896	4,913,897

The bank loans are secured over the assets of Trehwiddle Village Ltd. The other loans are also secured over the assets of the company by way of a second legal charge.

9. SHARE CAPITAL

	31 March 2011 £	28 February 2010 £
ALLOTTED, CALLED UP AND FULLY PAID		
1 Ordinary £1 shares share of £1	1	1

10 RESERVES

	Investment property revaluation reserve £	Profit and loss account £
At 1 March 2010	(701,135)	(2,187,771)
Loss for the period		(624,373)
Movement on investment property	(353,142)	
At 31 March 2011	(1,054,277)	(2,812,144)

TREWHIDDLE VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2011

11. RELATED PARTY TRANSACTIONS

At the period end the company owed £9,008,896 to D Gorton, a controlling shareholder. Interest of £95,465 (2010 £67,429) was charged on this loan in the period £249,849 (2010 £154,364) of unpaid loan interest is in accruals.

D Gorton also holds a controlling interest in Natural Retreats Ltd. Included in sales is £65,011 invoiced by Natural Retreats Ltd, who let the properties out in the holiday village. At the period end the company owed Natural Retreats Ltd £12,755.

At the period end the company owed £499 to J M Goldsmith, a director and controlling shareholder. J Goldsmith has provided a personal guarantee of £350,000 in favour of Trehwiddle Village Ltd.

J M Goldsmith is also a director and shareholder of Roseland Peninsula Homes Ltd. During the period the company was charged payroll costs of £6,491 (2010 £115,954) by Roseland Peninsula Homes Ltd. Roseland Peninsula Homes Ltd is also the main contractor for the company's building works in the period and build costs of £3,815,536 were invoiced by them in the period. At the period end the company owed Roseland Peninsula Homes Ltd £55,751 (2010 the company was owed £242,918). Costs of £204,104 (2010 £197,058) payable to Roseland Peninsula Homes Ltd are included in accruals.

J Goldsmith also controls PBHH Ltd. At the period end the company was owed £14,694 (2010 £11,654) by PBHH Ltd.

J Goldsmith and D Gorton also jointly control Pentire Luxury Apartments LLP. At the period end the company provided for an amount of £147,306 which was owed to them by Pentire Luxury Apartments LLP.

12. CONTROLLING PARTY

In the opinion of the director, D Gorton and J M Goldsmith were the ultimate controlling parties throughout the period.

13. GOING CONCERN

The financial statements have been prepared on a going concern basis. The basis may not be appropriate as at the balance sheet date the company had net liabilities of £3,866,420 and made a loss of £624,373 in the period ended 31 March 2011.

However, due to the continued support of the company's bankers and related parties, the director is confident that the company has adequate resources for the foreseeable future. In making this assessment the company has considered the expected financial needs and performance of the company, and the plans in place to meet those needs.