

Company Registration Number SC209693

GYLE DEVELOPMENTS LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2010



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GYLE DEVELOPMENTS LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2010

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GYLE DEVELOPMENTS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The Board of Directors

E W Adair
T Buchanan

Registered Office

4 Hunter Square
Edinburgh
EH1 1QW

Auditor

Chiene + Tait
Chartered Accountants
& Statutory Auditor
61 Dublin Street
Edinburgh
EH3 6NL

GYLE DEVELOPMENTS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2010

The directors present their report and the financial statements of the company for the year ended 31 December 2010.

Principal activities

The principal activity of the company was property development and investment.

Directors

The directors who served the company during the year were as follows:

E W Adair
T Buchanan

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 those 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;
- 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that ought to have been taken to ensure they are aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Chiene + Tait are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

GYLE DEVELOPMENTS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2010

Small company provisions

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

Signed on behalf of the directors



E W Adair
Director

Approved by the directors on 24 Nov 2011

GYLE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GYLE DEVELOPMENTS LIMITED

YEAR ENDED 31 DECEMBER 2010



We have audited the financial statements of Gyle Developments Limited for the year ended 31 December 2010 on pages 6 to 10. 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 shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 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 (APB'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 directors; and the overall presentation of the financial statements.

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 31 December 2010 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 – Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 9 to the financial statements concerning the company's ability to continue as a going concern. The company sold its investment properties during the year ended 31 December 2009 and, at 31 December 2010, the company's liabilities exceeded its total assets by £6,582,973. These conditions, along with the other matters explained in note 9 to the financial statements, 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 the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters 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.

GYLE DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF GYLE DEVELOPMENTS LIMITED *(continued)*



YEAR ENDED 31 DECEMBER 2010

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.

Jeremy Chittleburgh BSc CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT
Chartered Accountants
& Statutory Auditor

61 Dublin Street
Edinburgh
EH3 6NL

30/3/11

GYLE DEVELOPMENTS LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2010

	Note	2010 £	2009 £
Turnover		–	229,093
Cost of sales		<u>791</u>	<u>4,694</u>
Gross (loss)/profit		(791)	224,399
Administrative expenses		<u>1,700</u>	<u>74,372</u>
Operating (loss)/profit	2	(2,491)	150,027
Loss on disposal of fixed assets		–	(1,423,850)
		<u>(2,491)</u>	<u>(1,273,823)</u>
Interest receivable		–	8,270
Interest payable and similar charges		<u>(65,216)</u>	<u>(227,516)</u>
Loss on ordinary activities before taxation		<u>(67,707)</u>	<u>(1,493,069)</u>
Tax on loss on ordinary activities	3	(15,839)	(1,533,464)
(Loss)/profit for the financial year		<u>(51,868)</u>	<u>40,395</u>

The notes on pages 8 to 10 form part of these financial statements

GYLE DEVELOPMENTS LIMITED

BALANCE SHEET

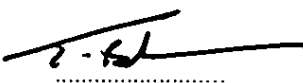
31 DECEMBER 2010

	Note	£	2010 £	2009 £
Current assets				
Debtors	4	—		1,233,496
Cash at bank		3		23,009
		3		1,256,505
Creditors: amounts falling due within one year	5	6,582,976		7,787,610
Net current liabilities			(6,582,973)	(6,531,105)
Total assets less current liabilities			(6,582,973)	(6,531,105)
Capital and reserves				
Called-up equity share capital	7		100	100
Profit and loss account	8		(6,583,073)	(6,531,205)
Deficit	8		(6,582,973)	(6,531,105)

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

These financial statements were approved by the directors and authorised for issue on 29.11.2011, and are signed on their behalf by:


.....
E W Adair


.....
T Buchanan

Company Registration Number: SC209693

GYLE DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

1. Accounting policies

Basis of accounting

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

Turnover

Turnover represents amounts receivable, exclusive of Value Added Tax, where there is a right to consideration from trading activities.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2010 £	2009 £
Auditor's fees	<u>796</u>	<u>1,477</u>

The only employees of the company were the directors and they received no remuneration (2009: £Nil).

During the year bank interest of £Nil (2009: £30,603) was capitalised within fixed assets prior to their disposal.

3. Tax on loss on ordinary activities

Analysis of credit in year

	2010 £	2009 £
Current tax:		
Payment for group relief	(18,958)	(661,327)
Adjustments in respect of previous periods:		
- Corporation tax	3,119	-
- Payment for group relief	<u>-</u>	<u>6,572</u>
Total current tax	(15,839)	(654,755)
Deferred tax:		
Origination and reversal of timing differences	<u>-</u>	<u>(878,709)</u>
	(15,839)	(1,533,464)

GYLE DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

4. Debtors

	2010	2009
	£	£
Trade debtors	–	(3,675)
Amounts owed by group undertakings	–	1,211,086
Corporation tax repayable	–	3,119
Other debtors	–	22,966
	<u>–</u>	<u>1,233,496</u>

5. Creditors: amounts falling due within one year

	2010	2009
	£	£
Trade creditors	–	7,685
Amounts owed to group undertakings	6,581,746	6,427,532
Other taxation	30	1,349,822
Other creditors	1,200	2,571
	<u>6,582,976</u>	<u>7,787,610</u>

6. Parent undertakings and related party transactions

The immediate parent company is The EDI Group Limited, a company registered in Scotland.

The ultimate holding organisation is The City of Edinburgh Council.

The company has taken advantage of the exemption under FRS 8 paragraph 3(c) from the requirement to disclose information of transactions with entities that are part of the group on the basis that consolidated group financial statements are publicly available.

During the year ended 31 December 2009 the company sold its investment properties to The City of Edinburgh Council for £8,912,094.

7. Share capital

Authorised share capital:

	2010	2009
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2010		2009	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

GYLE DEVELOPMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2010

8. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total shareholders' funds £
Balance brought forward	100	(6,531,205)	(6,531,105)
Loss for the year	—	(51,868)	(51,868)
Balance carried forward	<u>100</u>	<u>(6,583,073)</u>	<u>(6,582,973)</u>

9. Going concern

The future of the company is dependent on the continued financial support of the company's shareholders. The directors are confident that this support will continue for the foreseeable future, and that the group funding in the order of £6.5 million at the balance sheet date will not be fully sought for repayment as the company has significant net liabilities as a consequence. The financial statements have been prepared on the going concern basis.