

# Vico Investment Properties Limited

## Reports and Financial Statements for the 18 month period from 30 June 2011 to 31 December 2012

*Company Registration No: SC224044*

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**VICO INVESTMENT PROPERTIES LIMITED**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

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**VICO INVESTMENT PROPERTIES LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Charles J. Carvill  
Thomas Carvill  
Michael Carvill  
Colin Taylor (Resigned 1 November 2012)

**SECRETARY**

Thomas Carvill

**INDEPENDENT AUDITORS**

Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**SOLICITORS**

MacRoberts LLP  
Capella  
60 York Street  
Glasgow  
G2 8JX

**REGISTERED OFFICE**

150 West George St  
Glasgow  
G2 2HG

**BANKERS**

Northern Bank Limited  
Donegall Square North  
Belfast  
BT1 6JS

## VICO INVESTMENT PROPERTIES LIMITED

### DIRECTORS' REPORT

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The directors submit their annual report, together with the audited financial statements, for the 18 month period from 30 June 2011 to 31 December 2012.

#### ACTIVITIES

The principal activity of the company in the period under review was property development.

#### RESULTS AND DIVIDENDS

The loss after taxation for the period amounted to £631,204 (2011: profit £117,380).

The directors do not recommend the payment of a dividend during the period (2011: £Nil).

#### RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the property industry include a downturn in the property market, an increase in interest rates, a shortage of available development land and delays in securing planning permissions. These risks are monitored by the directors on an ongoing basis.

#### FUTURE DEVELOPMENT

The company will continue to develop its properties and expects to investigate further projects and acquisitions as an expansion of its existing base of operations.

#### DIRECTORS

The present membership of the board is set out on page 2. Colin Taylor resigned as director on 1 November 2012.

#### DIRECTORS' AND SECRETARY'S INTERESTS

None of the directors or secretary who held office at 31 December 2012 had any interest in the share capital of the company at 31 December 2012 or 1 July 2011.

The following shares were held by the directors who held office at 31 December 2012 in the ultimate parent undertaking, Vico Properties plc, at 31 December 2012 and 1 July 2011:

|   | Number of Ordinary Shares of Stg10p each |         |
|---|--|---------|
|   | 2012                                     | 2011    |
| Charles J. Carvill                      | 336,420                                  | 336,420 |
| Thomas Carvill                          | 328,410                                  | 328,410 |
| Michael Carvill                         | 732,915                                  | 732,915 |
| Colin Taylor (Resigned 1 November 2012) | 237,242                                  | 237,242 |
|   | <hr/>                                    | <hr/>   |

**VICO INVESTMENT PROPERTIES LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

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**AUDITORS**

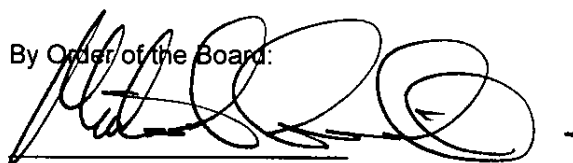
Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to s386 Companies Act 1985, an elective resolution was passed dispensing with the requirement to appoint auditors annually. This election was in force immediately before 1 October 2007. Therefore, Deloitte & Touche are deemed to continue as auditors. The company also resolved that while this election is in force the remuneration of the auditors will be fixed by the directors.

By Order of the Board:



Director

MICHAEL CARVILL

Date: 16<sup>th</sup> August 2013

## **VICO INVESTMENT PROPERTIES LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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The directors are responsible for preparing the Annual 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VICO INVESTMENT PROPERTIES LIMITED**

We have audited the financial statements of Vico Investment Properties Limited for the 18 month period from 30 June 2011 to 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Statement of Directors' Responsibilities, 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 the 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 2012 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### ***Emphasis of matter – going concern***

Without qualifying our opinion, we draw your attention to Note 1 to the financial statements which indicates that the company recorded a loss for the period of £631,204 and had net liabilities of £693,994 at the balance sheet date. The company had bank loans at the balance sheet date of £122,222 which are currently due for renewal. 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 company's ultimate parent undertaking, Vico Properties plc, which also has bank facilities due for renewal, has agreed to provide continued financial support. The directors are confident that on-going discussions with the company's and group's bankers will have a satisfactory outcome and that bank facilities will continue to be available to meet the directors' forecast of the cash requirements of the company and group for a minimum period of at least twelve months from the date of approval of the financial statements. The directors are satisfied that it is appropriate to continue to prepare the financial statements of the company on a going concern basis. The financial statements do not include any adjustments that would arise if the company was unable to continue as a going concern.

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF VICO INVESTMENT PROPERTIES LIMITED**

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

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.



Ronan Nolan (Senior Statutory Auditor)  
for and on behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Dublin  
Ireland

Date:

16/8/13



## **VICO INVESTMENT PROPERTIES LIMITED**

### **STATEMENT OF ACCOUNTING POLICIES**

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The significant accounting policies adopted by the company are as follows:

#### **BASIS OF PREPARATION**

The financial statements have been prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The company has obtained written confirmation of continued support from the company's ultimate parent company, Vico Properties plc, for a period of not less than 12 months from the date of approval of the financial statements to enable the company to meet its liabilities as they fall due. On that basis, the director considers it appropriate to prepare the financial statements of the company on a going concern basis.

#### **ACCOUNTING CONVENTION**

The financial statements are prepared under the historical cost convention modified by the revaluation of certain fixed assets.

#### **TURNOVER**

Turnover comprises receipts from property sales and rental income, net of value added tax.

#### **FINANCE COSTS**

For properties in the course of development, cost includes finance costs from the commencement of development. These costs are normally calculated with reference to the actual interest rate applicable to the borrowing specific to the development.

The period of development for the purpose of capitalising finance costs is deemed to be completed as follows:

- (i) When the property is substantially let. Substantially let is defined as the date when 80% of the gross rental income becomes receivable.
- (ii) When the building is occupied in the case of pre-let properties.
- (iii) When income exceeds outgoings.

Finance costs are reduced by rental income received during the period of development.

#### **INVESTMENT PROPERTIES**

Investment properties are revalued annually. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except a deficit that is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties or in respect of leasehold investment properties where the unexpired term of lease is more than 20 years. The directors consider that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19 "Accounting for investment properties". The financial affect of the departure from the statutory accounting rules cannot reasonably be quantified because depreciation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown.

**VICO INVESTMENT PROPERTIES LIMITED**

**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

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**TAXATION**

Current tax is provided on the Company's taxable profits at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that they are regarded as recoverable.

**VICO INVESTMENT PROPERTIES LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

|   | <i>Notes</i> | <b>18 months<br/>to<br/>31 December 2012<br/>£</b> | <b>12 months<br/>to<br/>30 June 2011<br/>£</b> |
|---|--------------|--|--|
| <b>TURNOVER</b>   |              | <b>175,396</b>                                     | 193,631  |
| Cost of sales   |              | <b>(28,349)</b>                                    | (12,761)                                       |
| <b>GROSS PROFIT</b>   |              | <b>147,047</b>                                     | 180,870  |
| Impairment charge   |              | <b>(750,000)</b>                                   | (51,922)                                       |
| Administrative expenses   |              | <b>(3,072)</b>                                     | (156)  |
| <b>OPERATING (LOSS)/PROFIT</b>                                  |              | <b>(606,025)</b>                                   | 128,792  |
| Interest payable  | 3            | <b>(25,180)</b>                                    | (11,412)                                       |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> | 4            | <b>(631,205)</b>                                   | 117,380  |
| Taxation  | 5            | -  | -  |
| <b>(LOSS)/PROFIT ON ORDINARY ACTIVITIES<br/>AFTER TAXATION</b>  | 12           | <b>(631,205)</b>                                   | 117,380  |

All profits and losses arose from continuing activities in the current and prior period.

**VICO INVESTMENT PROPERTIES LIMITED**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE 18 MONTH PERIOD FROM 30 JUNE 2011 TO 31 DECEMBER 2012**

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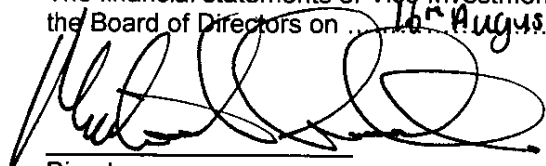
|  | <b>31 December 2012</b><br>£ | <b>30 June 2011</b><br>£ |
|--|------------------------------|--------------------------|
| (Loss)/Profit for the financial period                   | <b>(631,205)</b>             | 117,380                  |
| Revaluation of investment properties                     | -                            | (948,078)                |
| Total recognised gains and losses relating to the period | <u><b>(631,205)</b></u>      | <u>(830,698)</u>         |

**VICO INVESTMENT PROPERTIES LIMITED**

**BALANCE SHEET AS AT 31 DECEMBER 2012**

|  | Notes | 31 December 2012<br>£ | 30 June 2011<br>£  |
|--|-------|-----------------------|--------------------|
| <b>FIXED ASSETS</b>  |       |                       |                    |
| Tangible assets  | 6     | <u>1,500,000</u>      | <u>2,250,000</u>   |
| <b>CURRENT ASSETS</b>  |       |                       |                    |
| Debtors  | 6     | 6,289                 | 2,693              |
| Cash at bank   |       | <u>57,367</u>         | <u>3,289</u>       |
|  |       | 63,656                | 5,982              |
| <b>CREDITORS: (Amounts falling due within one year)</b>          | 8     | <u>(2,257,650)</u>    | <u>(2,318,772)</u> |
| <b>NET CURRENT LIABILITIES</b>                                   |       | <u>(2,193,994)</u>    | <u>(2,312,790)</u> |
| <b>CREDITORS: (Amounts falling due after more than one year)</b> | 9     | -                     | -                  |
| <b>NET ASSETS</b>  |       | <u>(693,994)</u>      | <u>(62,790)</u>    |
| <b>CAPITAL AND RESERVES</b>                                      |       |                       |                    |
| Called-up share capital  | 10    | 1                     | 1                  |
| Revaluation reserve  | 11    | -                     | -                  |
| Profit and loss account – deficit                                | 12    | (693,995)             | (62,791)           |
| <b>SHAREHOLDERS' (DEFICIT)</b>                                   | 13    | <u>(693,994)</u>      | <u>(62,790)</u>    |

The financial statements of Vico Investment Properties Limited, Registered Number SC224044 were approved by the Board of Directors on 16<sup>th</sup> August 2013 and signed on its behalf by:



Director

MICHAEL CARVILL

# VICO INVESTMENT PROPERTIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 18 MONTH PERIOD FROM 30 JUNE TO 31 DECEMBER 2012

### 1. GOING CONCERN

The directors have given careful consideration to the appropriateness of the going concern basis in the preparation of the financial statements particularly as the Company Profit and Loss Account indicates that the Company incurred a loss of £631,205 for the period ended 31 December 2012 (30/06/2011: Profit £117,380) and Note 7 to the Balance Sheet shows that the Company had Bank and Other Loans of £122,222 (30/06/2011: £198,438) on that date and that the Company had net liabilities of £693,994.

The directors have reviewed the current and projected financial position of the group. The key areas reviewed include, the timing and value of property sales, committed future expenditure and the continued availability of existing banking facilities.

Subsequent to the period end the group has concluded on a number of contracts for sale which is a positive movement in light of the difficult market conditions at present. The group are also in detailed discussions with a potential purchaser for another site. The directors are optimistic that a contract for sale can be concluded on this site which will lead to significant cash receipts over the coming twelve months. Additionally the directors are hopeful the group will secure planning permission on a number of other sites which would enable the group to make further sales in the coming twelve months.

The directors have taken steps to reduce cash outflows by significantly reducing group overhead and by careful management of the professional fee expenditure required to keep existing projects moving forward.

All of the group's banking facilities fall due for renewal currently. The group has deferred interest payments on bank loans with some financial institutions due at the end of December 2012. Discussions continue with the group bankers and the directors are confident that there will be a successful outcome to these discussions and that the banking facilities will continue to be made available for a minimum period which will extend to at least twelve months from the date of approval of these financial statements.

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the group's and company's ability to continue as a going concern. Having considered the uncertainties described above the directors are confident that the group and company will have adequate resources available to continue in operational existence for the foreseeable future. The directors are, therefore, of the opinion that it is appropriate to adopt the going concern basis in preparing these financial statements. The financial statements do not include the adjustments to the carrying amount or classification of assets and liabilities that would arise if the company was unable to continue as a going concern.

### 2. EMPLOYEES AND REMUNERATION

No staff are employed by the company.

### 3. INTEREST PAYABLE

|               | 18 months<br>to<br>31 December 2012<br>£ | 12 months<br>to<br>30 June 2011<br>£ |
|---------------|--|--------------------------------------|
| Bank interest | 25,180                                   | 11,412                               |

VICO INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE TO 31 DECEMBER 2012 (CONTINUED)

| 4. | PROFIT/(LOSS) ON ORDINARY ACTIVITIES<br>BEFORE TAXATION                           | 18 months<br>to<br>31 December 2012<br>£ | 12 months<br>to<br>30 June 2011<br>£ |
|----|---|--|--------------------------------------|
|    | Profit/(loss) on ordinary activities before taxation<br>is stated after charging: |  |                                      |
|    | Directors' remuneration   | -  | -                                    |
|    | Auditors' remuneration  | -  | -                                    |
|    |   | <u>          </u>                        | <u>          </u>                    |

Audit costs have been borne by another group company.

| 5. | TAXATION  | 18 months<br>to<br>31 December 2012<br>£ | 12 months<br>to<br>30 June 2011<br>£ |
|----|---|--|--------------------------------------|
|    | Corporation tax on profit for the period              | -  | -                                    |
|    |   | <u>          </u>                        | <u>          </u>                    |
|    | <b>Factors affecting tax charge in the period:</b>    |  |                                      |
|    | (Loss)/Profit on ordinary activities before taxation  | <b>(631,204)</b>                         | 117,380                              |
|    |   | <u>          </u>                        | <u>          </u>                    |
|    | Tax at 25% (2011: 28%)                                | <b>(157,801)</b>                         | 32,866                               |
|    | Losses available for future years / group loss relief | <b>157,801</b>                           | (47,404)                             |
|    | Impairment of investment property non tax deductible  | -  | 14,538                               |
|    | Other timing differences                              | -  | -                                    |
|    |   | <u>          </u>                        | <u>          </u>                    |
|    | Tax for period  | -  | -                                    |
|    |   | <u>          </u>                        | <u>          </u>                    |

The company has tax losses of £631,204 (2011: £Nil) that are available for offset against future taxable profits. A deferred tax asset of £157,801 (2011: £Nil) has not been recognised in respect of these losses as the company has been loss making for some time and there is uncertainty as to when sufficient future taxable profits will be available to utilise these losses.

VICO INVESTMENT PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE TO 31 DECEMBER 2012 (CONTINUED)

| 6. TANGIBLE ASSETS               | 31 December 2012<br>£ | 30 June 2011<br>£ |
|----------------------------------|-----------------------|-------------------|
| <b>Investment properties:</b>    |                       |                   |
| <b>Cost or Valuation:</b>        |                       |                   |
| At 1 July                        | 2,250,000             | 3,250,000         |
| Disposals                        | -                     | -                 |
| Impairment                       | -                     | (51,922)          |
| Revaluation                      | (750,000)             | (948,078)         |
| <b>At 30 June</b>                | <b>1,500,000</b>      | <b>2,250,000</b>  |
| <b>Accumulated Depreciation:</b> |                       |                   |
| At 1 July                        | -                     | -                 |
| Charge for period                | -                     | -                 |
| On disposals                     | -                     | -                 |
| <b>At 30 June</b>                | <b>-</b>              | <b>-</b>          |
| <b>Net Book Values:</b>          |                       |                   |
| At cost                          | 1,500,000             | 2,250,000         |

Investment properties are stated at directors' valuation.

| 7. DEBTORS: (Amounts falling due within one year)          | 31 December 2012<br>£         | 30 June 2011<br>£         |
|--|-------------------------------|---------------------------|
| Trade debtors  | 6,289                         | 2,693                     |
|  | <u>6,289</u>                  | <u>2,693</u>              |
| <b>8. CREDITORS: (Amounts falling due within one year)</b> | <b>31 December 2012<br/>£</b> | <b>30 June 2011<br/>£</b> |
| Bank loans (Note 13)                                       | 122,222                       | 198,438                   |
| Accruals and deferred income                               | 27,759                        | 40,258                    |
| Amounts due to group companies                             | 2,079,531                     | 1,994,682                 |
| VAT  | 7,020                         | 17,691                    |
| Bank overdraft   | -                             | 65,603                    |
| Trade creditors  | 21,118                        | 2,100                     |
|  | <u>2,257,650</u>              | <u>2,318,772</u>          |



**VICO INVESTMENT PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE TO 31 DECEMBER 2012 (CONTINUED)**

|  |                         |                     |
|--|-------------------------|---------------------|
| <b>9. CREDITORS: (Amounts falling due after more than one year)</b>    | <b>31 December 2012</b> | <b>30 June 2011</b> |
|  | <b>£</b>                | <b>£</b>            |
| Bank loans (Note 13)   | -                       | -                   |
| Amounts due to group companies   | -                       | -                   |
|  | <u>-</u>                | <u>-</u>            |
|  | <u>-</u>                | <u>-</u>            |
| <b>10. CALLED-UP SHARE CAPITAL</b>                                     | <b>31 December 2012</b> | <b>30 June 2011</b> |
|  | <b>£</b>                | <b>£</b>            |
| <b>Authorised:</b>   |                         |                     |
| 100 Ordinary shares of £1 each   | <b>100</b>              | <b>100</b>          |
|  | <u>100</u>              | <u>100</u>          |
| <b>Allotted, Called-up and Fully Paid:</b>                             |                         |                     |
| 1 Ordinary share of £1 each  | <b>1</b>                | <b>1</b>            |
|  | <u>1</u>                | <u>1</u>            |
|  | <u>1</u>                | <u>1</u>            |
| <b>11. REVALUATION RESERVE</b>   | <b>31 December 2012</b> | <b>30 June 2011</b> |
|  | <b>£</b>                | <b>£</b>            |
| Balance at beginning of period   | -                       | 948,078             |
| Revaluation of investment property                                     | -                       | (948,078)           |
|  | <u>-</u>                | <u>-</u>            |
| Balance at end of period   | <u>-</u>                | <u>-</u>            |
|  | <u>-</u>                | <u>-</u>            |
| <b>12. PROFIT AND LOSS ACCOUNT – DEFICIT</b>                           | <b>18 months to</b>     | <b>12 months to</b> |
|  | <b>31 December 2012</b> | <b>30 June 2011</b> |
|  | <b>£</b>                | <b>£</b>            |
| At beginning of period   | <b>(62,791)</b>         | <b>(180,171)</b>    |
| (Loss)/Profit for the period   | <b>(631,204)</b>        | <b>117,380</b>      |
|  | <u>(693,995)</u>        | <u>(62,791)</u>     |
| Balance at end of period   | <u>(693,995)</u>        | <u>(62,791)</u>     |
|  | <u>(693,995)</u>        | <u>(62,791)</u>     |
| <b>13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS (DEFICIT)/FUNDS</b> | <b>18 months to</b>     | <b>12 months to</b> |
|  | <b>31 December 2012</b> | <b>30 June 2011</b> |
|  | <b>£</b>                | <b>£</b>            |
| At beginning of period   | <b>(62,790)</b>         | <b>767,908</b>      |
| Revaluation of investment property                                     | -                       | (948,078)           |
| (Loss)/Profit for the financial period                                 | <b>(631,205)</b>        | <b>117,380</b>      |
|  | <u>(693,995)</u>        | <u>(62,790)</u>     |
| At end of period   | <u>(693,995)</u>        | <u>(62,790)</u>     |
|  | <u>(693,995)</u>        | <u>(62,790)</u>     |

**VICO INVESTMENT PROPERTIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 18 MONTH PERIOD FROM 30 JUNE TO 31 DECEMBER 2012 (CONTINUED)**

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**14. BANK LOANS**

Bank loans are secured as follows:

- (i) a first and only floating charge over the assets of the company
- (ii) a first and only standard charge over the property known as Portland Gate, Kilmarnock
- (iii) the guarantee of Vico Properties Plc.

**15. GROUP MEMBERSHIP**

In the opinion of the directors, the company's ultimate parent undertaking is Vico Properties plc, a company incorporated in Northern Ireland. The parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared, is Vico Properties plc.

Copies of the group financial statements of Vico Properties plc are available from:

Companies House  
Second Floor  
The Linenhall  
32 -38 Linenhall Street  
Belfast  
BT2 8BG

**16. CASH FLOW STATEMENT**

In accordance with Financial Reporting Standard 1 "Cash Flow Statements", a cash flow statement has not been prepared for the company as the cash flows for the group are disclosed in the consolidated financial statements of the ultimate parent undertaking.

**17. RELATED PARTY TRANSACTIONS**

The directors have availed of the exemption available under Financial Reporting Standard 8 "Related Party Disclosures" which permits subsidiaries 100% of whose voting rights are controlled within the group not to disclose transactions with other wholly owned entities of the group.

**18. POST BALANCE SHEET EVENTS**

There have been no significant events since the year end.