

Credential Residential (Hamiltonhill) Limited

Report and Financial Statements

31 March 2008

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COMPANIES HOUSE

Credential Residential (Hamiltonhill) Limited

Registered No: SC264849

Directors

D Porter

J M Law

Secretary

DA Cumine

Auditors

Ernst & Young LLP

George House

50 George Square

Glasgow

G2 1RR

Bankers

Bank of Scotland

Gordon Street

Glasgow

G1 3RS

Solicitors

DLA Piper Scotland LLP

249 West George Street

Glasgow

G2 4RB

Registered Office

Venlaw Building

349 Bath Street

Glasgow

G2 4AA

Directors' report

The directors present their report and financial statements for the year ended 31 March 2008.

Results and dividends

The profit for the year, after taxation, amounted to £387,876 (2007 - £503,787). The directors recommend no dividend for the year.

Principal activity, review of the business and future developments

The company's principal activity during the year was that of residential property development.

During the year the company continued with the sale of residential units. The directors are satisfied with the results for the year.

The company intends to continue with its existing activities.

Directors of the company

The directors of the company during the year were:

D Porter
J M Law

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 1985. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.


Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the board



D Porter
Director

29 January 2009

Statement of directors' responsibilities in respect of the financial statements

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). The financial statements are required by law to 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of Credential Residential (Hamiltonhill) Limited

We have audited the financial statements of Credential Residential (Hamiltonhill) Limited for the year ended 31 March 2008 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, 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 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

The directors' responsibilities for the preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (UK 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.

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.

Independent auditors' report

to the members of Credential Residential (Hamiltonhill) Limited

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 March 2008 and of its profit for the year 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.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Glasgow
30/1/2009

Profit and loss account

for the year ended 31 March 2008

	Notes	2008 £	2007 £
Turnover	2	3,085,300	3,835,120
Cost of sales		(2,522,707)	(3,127,521)
Gross profit		562,593	707,599
Administrative expenses		(36,456)	-
Operating profit	3	526,137	707,599
Interest receivable		28,829	12,097
Profit on ordinary activities before taxation		554,966	719,696
Taxation on profit on ordinary activities	4	167,090	215,909
Profit on ordinary activities after taxation		387,876	503,787

All amounts relate to continuing activities.

Statement of total recognised gains and losses

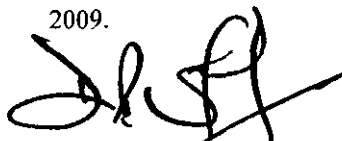
There were no recognised gains or losses other than the profit attributable to shareholders of the company of £387,876 in the year ended 31 March 2008 and of £503,787 in the year ended 31 March 2007.

Balance sheet

at 31 March 2008

	Notes	2008 £	2007 £
Current assets			
Stocks	5	79,546	2,087,322
Debtors	6	1,280,560	47,450
Cash at bank and in hand		85,712	85,125
		<u>1,445,818</u>	<u>2,219,897</u>
Creditors: amounts falling due within one year	7	482,540	1,644,495
		<u>963,278</u>	<u>575,402</u>
Total assets less current liabilities			
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	963,277	575,401
		<u>963,278</u>	<u>575,402</u>
Shareholders' funds	9		
		<u>963,278</u>	<u>575,402</u>

The financial statements were approved by the board of directors and authorised for issue on 29 January 2009.



D Porter
Director

29 January 2009

Notes to the financial statements

at 31 March 2008

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover represents the value of property development sales, for properties where legal contracts have been completed during the year.

No turnover is included in the financial statements in connection with property sales unless a legally binding contract for sale of the development has been entered into and completion has taken place before or shortly after the period end.

Capitalisation of interest

Interest incurred on borrowings to finance property development is capitalised. Interest is capitalised before any allowances for tax relief.

Stocks

Development work-in-progress is stated at cost less provision for any known or anticipated losses. Cost includes direct costs, and, where appropriate, attributable overheads.

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

2. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3. Operating profit

This is stated after charging:

	2008	2007
	£	£
Auditors remuneration	1,600	1,650

Notes to the financial statements

at 31 March 2008

4. Tax

(a) Tax on profit on ordinary activities

	2008 £	2007 £
UK Corporation tax:		
Group relief	175,490	215,909
Deferred tax:		
Originating and reversal of timing differences	(9000)	-
Effect of changes in tax rate	600	-
	(8,400)	-
Taxation on profit on ordinary activities	167,090	215,909

(b) Factors affecting current tax charges

The tax assessed on the profit on ordinary activities for the year is equal to the standard rate of corporation tax in the UK of 30% (2007 - 30%) as shown below:

	2008 £	2007 £
Profit on ordinary activities before tax	554,966	719,696
Profit on ordinary activities at the standard rate of corporation tax in the UK of 30% (2007 - 30%)	166,490	215,909
Other timing differences	9,000	-
Current tax charge for the year	175,490	215,909

5. Stocks

	2008 £	2007 £
Development work-in-progress	79,546	2,087,322

Development work-in-progress includes gross interest amounting to £4,641 (2007 - £69,610).

Notes to the financial statements

at 31 March 2008

6. Debtors

	2008 £	2007 £
Amounts owed by group undertakings	1,272,160	47,450
Deferred tax asset	8,400	-
	<u>1,280,560</u>	<u>47,450</u>

All amounts shown under debtors fall due for payment within one year.

7. Creditors: amounts falling due within one year

	2008 £	2007 £
Bank loans	-	668,253
Trade creditors	24,499	77,935
Amounts owed to group undertakings	-	593,896
Group relief payable	422,091	246,601
Other creditors	4,350	53,760
Accruals and deferred income	31,600	4,050
	<u>482,540</u>	<u>1,644,495</u>

8. Share capital

	2008 £	Authorised 2007 £	Allotted, called up and fully paid 2008 £	2007 £
Ordinary shares of £1 each	250,000	250,000	1	1

9. Reconciliation of shareholders' funds and movements on reserves

	Share capital £	Profit and loss account £	Total £
At 1 April 2006	1	71,614	71,615
Profit for the year	-	503,787	503,787
At 31 March 2007	<u>1</u>	<u>575,401</u>	<u>575,402</u>
Profit for the year	-	387,876	387,876
At 31 March 2008	<u>1</u>	<u>963,277</u>	<u>963,278</u>

Notes to the financial statements

at 31 March 2008

10. Related party disclosure

Pursuant to the exemption granted by Financial Reporting Standard 8 'Related Party Disclosures' transactions with other undertakings within, and related parties of, Credential Residential Finance Limited have not been disclosed in these financial statements.

	2008 £	2007 £
Amounts owed by Hamiltonhill Estates Limited	47,450	47,450
Amounts owed by/(to) Credential Holdings Limited	14,709	(593,896)
	<u> </u>	<u> </u>

11. Ultimate parent company

On 26 July 2007, following a group restructuring Credential Holdings Ltd became a wholly owned subsidiary of Squeeze Newco 3 Limited.

The directors regard Squeeze Newco 3 Limited, a company registered in Scotland, as the company's ultimate parent company. Squeeze Newco 3 Limited which is controlled by R B Clapham, is the parent undertaking of the largest group of which the company is a member, and for which group accounts are drawn up. Credential Residential Finance Limited is the parent undertaking of the smallest group of which the company is a member for which group accounts are drawn up. Copies of Squeeze Newco 3 Limited and Credential Residential Finance Limited accounts may be obtained from the Registrar of Companies.