

Linebush III Holdings Limited  
Annual report  
for the 52 weeks ended 28 January 2006

Registered Number 5139610



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for the 52 weeks ended 28 January 2006  
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# Linebush III Holdings Limited

## Directors' report for the 52 weeks ended 28 January 2006

The directors present their report and the audited financial statements of the company for the 52 weeks ended 28 January 2006.

### Principal activity

The principal activity of the company was that of retail convenience stores.

### Review of business and future developments

The company acquired 100% of the share capital of Linebush III Limited on 4 May 2005. Shareholders in Linebush III Limited were given the option of electing for shares and/or loan notes in the company. By electing for loan notes, the investors have elected a more defined exit route over the course of the next 7 years.

It is the company's intention that dependent on the results of the subsidiary company, Linebush III Limited, to repay the loan notes as soon as economically possible over the course of the next few years.

### Results and dividends

The company realised a profit for the period after taxation of £2,474 (2005: £nil). The directors do not recommend the payment of a dividend (2005: £nil).

### Directors and their interests

The directors who held office during the period, together with their interest in the company's £1 "A" ordinary shares are given below:

	At 28 January 2006	At 30 January 2005 or date of appointment if later
	Number	Number
N J Mills (appointed 8 March 2005)	22,814	28,814
M G Stokoe (appointed 8 March 2005)	22,814	28,814
Mrs S Mills (appointed 8 March 2005)	22,814	28,814
R C Linsell (appointed 8 March 2005)	-	-
G Lurie (appointed 4 May 2005)	80,000	80,000
L S Furness (appointed 4 May 2005)	-	-
R S Middleton (appointed 4 May 2005)	20,000	20,000
Everdirector Limited (resigned 8 March 2005)	-	1

# Linebush III Holdings Limited

## Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the 52 weeks ended 28 January 2006 and confirm that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 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.

## Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

By order of the Board



M G Stokoe  
Secretary

7/11 Earsdon Road  
Whitley Bay

30 June 2006

# **Linebush III Holdings Limited**

## **Independent auditors' report to the members of Linebush III Holdings Limited**

We have audited the financial statements of Linebush III Holdings Limited for the 52 weeks ended 28 January 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the statement of accounting policies set out therein.

### **Respective responsibilities of directors and auditors**

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 if, in our opinion, the directors' report is not consistent with the financial statements, if 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 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.

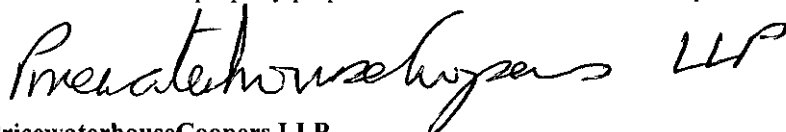
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# Linebush III Holdings 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 company's affairs as at 28 January 2006 and of its profit for the 52 weeks then ended and
- have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers LLP', is written over the printed name of the firm.

**PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

30 June 2006

# Linebush III Holdings Limited

## Profit and loss account for the 52 weeks ended 28 January 2006

	Note	52 weeks ended 28 January 2006 £	52 weeks ended 29 January 2005 £
<b>Income from fixed asset investments</b>		<b>30,000</b>	-
Interest payable and similar charges	1	(27,526)	-
<b>Profit on ordinary activities before taxation</b>	2	<b>2,474</b>	-
Tax on profit on ordinary activities	3	-	-
<b>Retained profit for the financial period</b>	8	<b>2,474</b>	-

All of the company's operations are continuing.

The company has no recognised gains and losses other than the profit above and therefore no statement of total recognised gains and losses has been presented.

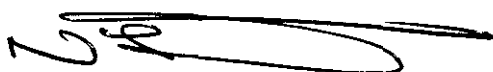
There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial period stated above and their historical cost equivalents.

# Linebush III Holdings Limited

## Balance sheet as at 28 January 2006

	Note	2006 £	2005 £
<b>Fixed assets</b>			
Investments	4	1,209,577	-
		<b>1,209,577</b>	-
<b>Current assets</b>			
Cash at bank and in hand		-	1
		-	-
<b>Creditors – Amounts falling due within one year</b>	5	(12,661)	-
<b>Net current liabilities/assets</b>		(12,661)	1
<b>Total assets less current liabilities</b>		<b>1,196,916</b>	<b>1</b>
<b>Creditors – Amounts falling due after more than one year</b>	6	(850,000)	-
		<b>346,916</b>	<b>1</b>
<b>Capital and reserves</b>			
Called up equity share capital	7	344,442	1
Profit and loss reserve	8	2,474	-
<b>Total equity shareholders' funds</b>	9	<b>346,916</b>	<b>1</b>

The financial statements on pages 5 to 11 were approved by the board of directors on 30 June 2006 and were signed on its behalf by:



N J Mills  
Director



# **Linebush III Holdings Limited**

## **Statement of accounting policies**

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below.

### **Cashflow statement**

The company has taken advantage of the exemption from preparing a cashflow statement under Financial Reporting Standard No 1 (Revised) Cash Flow Statements as it qualifies as a small company.

### **Consolidation**

The financial statements are about Linebush III Holdings Limited as an individual company and do not contain consolidated information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium-sized group.

### **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 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, except for certain exemptions which under Financial Reporting Standard 19 should not be recognised.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on taxation rates and law enacted at the balance sheet date.

# Linebush III Holdings Limited

## Notes to the financial statements for the 52 weeks ended 28 January 2006

### 1 Interest payable and similar charges

	2006	2005
	£	£
Other interest	27,526	-

### 2 Profit on ordinary activities before taxation

The audit fee for the year has been borne by other group companies.

No director received any remuneration in respect of his services to the company during the period (2005: £nil).

### 3 Tax on profit on ordinary activities

#### (a) Analysis of charge in period

	2006	2005
	£	£
<b>Current tax</b>		
United Kingdom corporation tax	-	-
Adjustments in respect of previous periods	-	-
Total current tax	-	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	-	-
	-	-

# Linebush III Holdings Limited

## (b) Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2006	2005
	£	£
Profit on ordinary activities before tax	2,474	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005: 30%)	742	-
<i>Effects of:</i>		
Income not taxable	(9,000)	-
Group Relief (claimed)/surrendered not paid	8,258	-
Current tax charge for period	-	-

## (c) Factors that may affect future tax charges

There are no factors that are expected to significantly affect the taxation charge in future years.

## 4 Fixed asset investments

	£
<b>Cost and net book amount</b>	
At 30 January 2005	-
Additions in period	1,209,577
<b>At 28 January 2006</b>	<b>1,209,577</b>

Name of Company	Country of incorporation and operation	Percentage holding of ordinary shares	Nature of business	Capital and reserves	Profit after taxation for 52 weeks period to 28 January 2006
Linebush III Limited	England	100	Retail convenience stores	1,346,391	85,265

# Linebush III Holdings Limited

## 5 Creditors - Amounts falling due within one year

	2006	2005
	£	£
Creditors: Amounts falling due within one year	12,661	-

## 6 Creditors - Amounts falling due after more than one year

	2006	2005
	£	£
Loan stock	850,000	-

The company shall have absolute discretion as to the date(s) on which the Loan stock shall be repaid. The outstanding Loan stock will be repaid in full on or before the seventh anniversary of their issue.

Interest is to be paid at 4.5% per annum, annually in arrears on 1 May.

## 7 Called up equity share capital

	2006	2005
	£	£
Authorised		
Ordinary shares of £1 each	344,442	-
Allotted and fully paid		
Ordinary shares of £1 each	344,442	1

On the 4 May 2005 344,441 shares were issued in exchange for 344,441 shares held in Linebush III Limited. The nominal value of these shares issues was £344,441.

## 8 Reserves

	Profit and loss account
	£
At 30 January 2005	-
Retained profit for the financial period	2,474
At 28 January 2006	2,474

# Linebush III Holdings Limited

## 9 Reconciliation of movements in equity shareholders' funds

	Company 2006 £
Profit for the financial period	2,474
Issue of ordinary share capital	344,441
Net change in shareholders' funds	346,915
Opening equity shareholders' funds	1
Closing equity shareholders' funds	346,916

## 10 Related party transactions

At the period end the company owes Linebush III Limited £12,661 (2005: nil). The company is a direct subsidiary of Linebush III Holdings Limited.