

Company Registration No. 01387774 (England and Wales)

OFFICE COPY

CONEGATE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010

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CONEGATE LIMITED

COMPANY INFORMATION

Directors	Mr C Sullivan Mr D Sullivan
Secretary	Mrs C. Sullivan
Company number	01387774
Registered office	Ramillies House 2 Ramillies Street London W1F 7LN
Auditors	F Winter & Co LLP Ramillies House 2 Ramillies Street London W1F 7LN
Business address	Birch Hall Coppice Row Theydon Bois Essex CM16 7DR

CONEGATE LIMITED

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CONEGATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

The directors present their report and financial statements for the year ended 30 September 2010

Principal activities

The principal activities of the company are those of investors and dealers in properties and securities, etc

The company's subsidiary undertakings are listed in Note 12 to the accounts

Business review

The directors of Conegate Holdings Limited manage the group's operations on a divisional basis. The development, performance and position of the business of the group, which includes the company, is discussed within the directors' report of Conegate Holdings Limited, which does not form part of this report.

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly they are disclosed in the group's annual report which does not form part of this report.

Results and dividends

The results for the year are set out on page 5

Directors

The following directors have held office since 1 October 2009

Mr. C. Sullivan

Mr. D. Sullivan

Charitable and political donations

Donations to charitable organisations amounted to £60,947 (2009 £39,232). These donations were made to a number of different charities supporting a broad range of causes, predominantly relating to medical research and education. There were no political donations made during the year.

Auditors

The auditors, F Winter & Co LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

CONEGATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

Statement of 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Mr C Sullivan

Director

29 June 2011

CONEGATE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CONEGATE LIMITED

We have audited the financial statements of CONEGATE LIMITED for the year ended 30 September 2010 set out on pages 5 to 23. 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 Directors' Responsibilities Statement set out on pages 1 - 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 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 30 September 2010 and of its profit for the year 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.

Opinion on other matter 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.

CONEGATE LIMITED

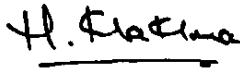
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF CONEGATE LIMITED

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



Hilesh Khakhria (Senior Statutory Auditor)
for and on behalf of F Winter & Co LLP

29 June 2011

Chartered Accountants
Statutory Auditor

Ramillies House
2 Ramillies Street
London
W1F 7LN

CONEGATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	2010 £	2009 £
Turnover	2	11,304,647	9,439,807
Cost of sales		(14,282)	(6,129)
Gross profit		11,290,365	9,433,678
Administrative expenses		(875,409)	(861,434)
Other operating income	3	5,346,429	153,164
Operating profit	4	15,761,385	8,725,408
(Loss)/profit on disposal of fixed assets	5	(2,051,834)	-
Other interest receivable and similar income	6	269,624	726,889
Interest payable and similar charges	7	(5,077,477)	(4,437,245)
Profit on ordinary activities before taxation		8,901,698	5,015,052
Tax on profit on ordinary activities	8	(2,186,381)	(1,371,431)
Profit for the year	18	6,715,317	3,643,621

The profit and loss account has been prepared on the basis that all operations are continuing operations

CONEGATE LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	2010 £	2009 £
Profit for the financial year		6,715,317	3,643,621
Unrealised surplus on revaluation of properties		22,336,820	444,533
Total recognised gains and losses relating to the year		29,052,137	4,088,154

CONEGATE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	10 and 11	239,330,380		213,759,863	
Investments	12	5,412,399		1,001	
		<u>244,742,779</u>		<u>213,760,864</u>	
Current assets					
Debtors	13	15,602,671	15,272,737		
Investments	14	240,036	6,046,792		
Cash at bank and in hand		24,196,212	25,061,846		
		<u>40,038,919</u>	<u>46,381,375</u>		
Creditors: amounts falling due within one year	15	(15,911,386)	(12,303,802)		
Net current assets		<u>24,127,533</u>		<u>34,077,573</u>	
Total assets less current liabilities		<u>268,870,312</u>		<u>247,838,437</u>	
Creditors: amounts falling due after more than one year	16	(138,708,364)		(145,043,738)	
Provisions for liabilities		-		(184,888)	
		<u>130,161,948</u>		<u>102,609,811</u>	
Capital and reserves					
Called up share capital	17	100		100	
Revaluation reserve	18	40,743,890		19,500,814	
Profit and loss account	18	89,417,958		83,108,897	
Shareholders' funds	19	<u>130,161,948</u>		<u>102,609,811</u>	

Approved by the Board and authorised for issue on 29 June 2011



Mr. C Sullivan
Director

Company Registration No. 01387774

CONEGATE LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	2010	2009
£	£	£
Net cash inflow from operating activities	15,951,362	11,102,155
Returns on investments and servicing of finance		
Interest received	269,624	726,889
Interest paid	(5,077,477)	(4,437,245)
Net cash outflow for returns on investments and servicing of finance	(4,807,853)	(3,710,356)
Taxation	(2,073,338)	(1,111,289)
Capital expenditure and financial investment		
Payments to acquire tangible assets	(9,387,136)	(52,080,907)
Payments to acquire investments	(7,663,198)	-
Receipts from sales of tangible assets	6,329,364	-
Receipts from sales of investments	2	-
Net cash inflow/(outflow) for capital expenditure	(10,720,968)	(52,080,907)
Equity dividends paid	(1,500,000)	-
Net cash inflow before management of liquid resources and financing	(3,150,797)	(45,800,397)
Management of liquid resources		
Current asset investments	5,806,756	(159,374)
	5,806,756	(159,374)
Financing		
New long term bank loan	5,696,761	31,330,000
Other new long term loans	-	16,000,000
Repayment of long term bank loan	(6,322,820)	(4,728,454)
Repayment of other long term loans	(3,019,868)	(2,177,853)
Net cash (outflow)/inflow from financing	(3,645,927)	40,423,693
Decrease in cash in the year	(989,968)	(5,536,078)

CONEGATE LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

1	Reconciliation of operating profit to net cash inflow from operating activities	2010	2009
		£	£
	Operating profit	15,761,385	8,725,408
	Depreciation of tangible assets	23,439	25,985
	Loss on disposal of tangible assets	600	-
	Decrease in stocks	-	456,772
	(Increase)/decrease in debtors	(329,934)	1,101,049
	Increase in creditors within one year	495,872	1,249,713
	Reclassification of stocks	-	(456,772)
	Net cash inflow from operating activities	15,951,362	11,102,155

2	Analysis of net debt	1 October 2009	Cash flow	Other non-cash changes	30 September 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	25,061,846	(865,634)	-	24,196,212
	Bank overdrafts	(64)	(124,334)	-	(124,398)
		<u>25,061,782</u>	<u>(989,968)</u>	<u>-</u>	<u>24,071,814</u>
	Liquid resources				
	Current asset investments	6,046,792	(5,806,756)	-	240,036
	Bank deposits	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Debt				
	Debts falling due within one year	(7,444,808)	(2,689,547)	-	(10,134,355)
	Debts falling due after one year	(145,043,738)	6,335,374	-	(138,708,364)
		<u>(152,488,546)</u>	<u>3,645,827</u>	<u>-</u>	<u>(148,842,719)</u>
	Net debt	(121,379,972)	(3,150,897)	-	(124,530,869)

CONEGATE LIMITED

NOTES TO THE CASH FLOW STATEMENT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

3	Reconciliation of net cash flow to movement in net debt	2010	2009
		£	£
	Decrease in cash in the year	(989,968)	(5,536,078)
	Cash inflow/(outflow) from decrease/(increase) in liquid resources	(5,806,756)	159,374
	Cash outflow/(inflow) from decrease/(increase) in debt	3,645,827	(40,423,695)
	Movement in net debt in the year	(3,150,897)	(45,800,399)
	Opening net debt	(121,379,972)	(75,579,573)
	Closing net debt	(124,530,869)	(121,379,972)

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

The company revenue comprises rental income, service charges, and other recoverables from tenants

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Short leasehold buildings	Over the life of the Lease
Fixtures, fittings & equipment	10% per annum on a straight line basis
Motor vehicles	20% per annum on a straight line basis

Investment properties are those properties, either owned by the company to earn rental income or for capital appreciation or both. After initial recognition at cost, investment properties are carried at their fair values based on market value determined by professional external valuers or by the directors at each reporting date. Properties are treated as acquired at the point when the company assumes the significant risks and returns of ownership and as disposed when these are transferred to the buyer. Additions to investment properties consist of costs of a capital nature. Any surplus or deficit on revaluation is recognised in the income statement as a valuation gain or loss. All borrowing costs associated with the acquisition of investment properties are recognised in the company's income statement in the period in which they are incurred.

Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Investment properties are included in the balance sheet at their open market value. Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

1 Accounting policies

(continued)

1.6 Investments

Investments held as fixed assets are stated at cost less provision for any impairment

Investments held as current assets are stated at the lower of cost and net realisable value with any gain or loss released to the profit and loss when realised

1.7 Taxation

The tax expense represents the sum of tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable and deductible. The company's liability for the current tax is calculated using tax rates that have substantively been enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax is not recognised when assets are revalued unless, by the balance sheet date, the company has entered into a binding agreement to sell the assets and recognised the gains and losses expected to arise on sale or where assets have been sold and it is expected that the taxable gain will be rolled over into a replacement asset.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of Congete Holdings Limited, a company incorporated in the United Kingdom and is included in the consolidated accounts of that company. Copies of the consolidated accounts are available from F Winter & Co LLP, Ramillies House, 2 Ramillies Street, London, W1F 7LN.

1.9 Leasing Income

Rentals receivable under operating leases are credited to the profit and loss account on a straight line basis over the lease term.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

In the opinion of the directors, given the integrated nature of the company's services, it would be both prejudicial and misleading to provide an analysis of turnover and profit by classes of business.

3 Other operating income

	2010 £	2009 £
Profit/(loss) on disposal of current asset investments	5,254,632	15,917
Dividends received from listed investments	91,797	137,247
	<u>5,346,429</u>	<u>153,164</u>

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

4	Operating profit	2010	2009
		£	£
	Operating profit is stated after charging		
	Depreciation of tangible assets	23,439	25,985
	Operating lease rentals	9,422	12,493
	Auditors' remuneration	13,000	12,000
		<u> </u>	<u> </u>
5	(Loss)/Profit on disposal of fixed assets	2010	2009
		£	£
	Profit on sale of investment properties	199,364	-
	Loss on sale of unlisted investments	(2,251,198)	-
		<u> </u>	<u> </u>
		(2,051,834)	-
		<u> </u>	<u> </u>
6	Other interest receivable and similar income	2010	2009
		£	£
	Bank interest	269,624	724,486
	Other interest	-	2,403
		<u> </u>	<u> </u>
		269,624	726,889
		<u> </u>	<u> </u>
7	Interest payable	2010	2009
		£	£
	On loans repayable after five years	5,075,872	4,436,946
	On overdue tax	1,605	299
		<u> </u>	<u> </u>
		5,077,477	4,437,245
		<u> </u>	<u> </u>

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

8	Taxation	2010	2009
		£	£
	Domestic current year tax		
	U K corporation tax	2,376,795	1,378,502
	Adjustment for prior years	(5,526)	(7,071)
		<u>2,371,269</u>	<u>1,371,431</u>
	Current tax charge		
	Deferred tax		
	Deferred tax adjustment	(184,888)	-
		<u>2,186,381</u>	<u>1,371,431</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	8,901,698	5,015,052
		<u>8,901,698</u>	<u>5,015,052</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 28.00%)	2,492,475	1,404,215
		<u>2,492,475</u>	<u>1,404,215</u>
	Effects of		
	Non deductible expenses	17,006	4,932
	Depreciation	6,563	7,276
	Capital allowances	(3,639)	(4,128)
	Chargeable disposals	(116,276)	4,456
	Dividends and distributions received	(25,703)	(38,249)
	Other tax adjustments	843	(7,071)
		<u>(121,206)</u>	<u>(32,784)</u>
	Current tax charge	<u>2,371,269</u>	<u>1,371,431</u>
9	Dividends	2010	2009
		£	£
	Ordinary final paid	1,500,000	-
		<u>1,500,000</u>	<u>-</u>

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

10 Tangible fixed assets

	Short leasehold buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 October 2009 & at 30 September 2010	8,138	46,396	114,790	169,324
Depreciation				
At 1 October 2009	8,138	45,491	91,832	145,461
Charge for the year	-	484	22,955	23,439
At 30 September 2010	8,138	45,975	114,787	168,900
Net book value				
At 30 September 2010	-	421	3	424
At 30 September 2009	-	905	22,958	23,863

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

11 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 October 2009	213,736,000
Additions	9,387,136
Revaluation	22,336,820
Disposals	(6,130,000)
At 30 September 2010	239,329,956

The valuation at 30 September 2010 has been carried out by various independent professional valuers on certain properties and the directors on the remaining properties

The current market valuation stated above was performed by independent professional valuers amounting to £199,775,000 and directors valuations amounting to £39,554,956

The fair value of an investment property reflects among other things, rental income from current leases and assumptions about future rental lease income based on current market conditions and anticipated plans for the property

On an historical cost basis these would have been included at an original cost of £198,586,067 (2009 - £194,235,186)

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

12 Fixed asset investments

	Unlisted investments £	Shares in group undertakings £	Total £
Cost or valuation			
At 1 October 2009	1	1,000	1,001
Additions	7,663,198	-	7,663,198
Impairment charge	-	(600)	(600)
Disposals	(2,251,200)	-	(2,251,200)
At 30 September 2010	5,411,999	400	5,412,399
Net book value			
At 30 September 2010	5,411,999	400	5,412,399
At 30 September 2009	1	1,000	1,001

The unlisted investments represent an investment of 250 shares representing 12.5% of the issued equity in WH Holdings Limited. The fair value of the unlisted investments in unquoted equity securities, which are not publicly traded, cannot be measured and have therefore been shown at cost.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Conegate (2003) Limited	England & Wales	Ordinary	100.00
Conegate (2004) Limited	England & Wales	Ordinary	100.00
Conegate (2005) Limited	England & Wales	Ordinary	100.00
Conegate (2006) Limited	England & Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
	Principal activity		
Conegate (2003) Limited	Investors in properties	7,092,313	941,403
Conegate (2004) Limited	Investors in properties	2,730	(498)
Conegate (2005) Limited	Investors in properties	(1,395,303)	216,419
Conegate (2006) Limited	Investors in properties	(15,399,187)	237,792

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

12 Fixed asset investments

(continued)

On 17th February 2011 an application for striking off the following dormant subsidiaries was made to Companies House in respect of

Centrewall Limited
Shape Up Shops Limited
Conegade (2002) Limited
Conegade (2007) Limited
Conegade (2008) Limited
Conegade (2009) Limited

A provision for an impairment charge has been made in relation to the above subsidiaries. The amounts owed by the above companies totalling £37,315 have been written off as bad debts during the year.

13 Debtors

	2010 £	2009 £
Trade debtors	11,250	11,250
Amounts owed by subsidiary undertakings	15,518,421	15,259,702
Other debtors	75,000	1,785
	<u>15,602,671</u>	<u>15,272,737</u>

14 Current asset investments

	2010 £	2009 £
Other investments	<u>240,036</u>	<u>6,046,792</u>
Market valuation of listed investments	<u>582,947</u>	<u>10,966,911</u>

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

15 Creditors: amounts falling due within one year	2010	2009
	£	£
Bank loans and overdrafts	7,100,579	4,425,003
Other loans	3,158,073	3,019,868
Trade creditors	1,974,199	2,150,192
Amounts owed to subsidiary undertakings	757,309	290,110
Corporation tax	768,171	470,240
Other taxes and social security costs	248,324	242,506
Other creditors	1,874,656	1,678,883
Accruals and deferred income	30,075	27,000
	15,911,386	12,303,802

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

16 Creditors: amounts falling due after more than one year	2010	2009
	£	£
Bank loans	91,533,852	94,711,151
Capital funding from parent undertaking	39,530,308	39,530,308
Other loans	7,644,204	10,802,279
	<u>138,708,364</u>	<u>145,043,738</u>
Analysis of loans		
Not wholly repayable within five years by instalments		
Bank loans	98,510,132	99,136,091
Capital funding from parent undertaking	39,530,308	39,530,308
Other loans	10,802,279	13,822,147
	<u>148,842,719</u>	<u>152,488,546</u>
Included in current liabilities	(10,134,355)	(7,444,808)
	<u>138,708,364</u>	<u>145,043,738</u>
Loan maturity analysis		
In more than one year but not more than two years	10,664,054	7,744,657
In more than two years but not more than five years	19,892,840	16,522,128
In more than five years	108,151,571	120,776,953
	<u></u>	<u></u>

The above bank and other loans are repayable by instalments which will be fully repaid between 2010 and 2021. Interest on bank loans will continue to be charged at a rate of 0.85% to 1% above the bank's base rate.

The long term liability amounting to £39,530,308 represents capital funding provided by Conegate Holdings Limited.

The total amount of bank borrowings which are subject to interest rate swaps amounted to £64,104,066.

The bank loans are secured by way of a legal fixed charge on properties owned by the company. There have been no defaults on any loans during the year.

17 Share capital	2010	2009
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

18 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 October 2009	19,500,814	83,108,897
Profit for the year	-	6,715,317
Transfer from revaluation reserve to profit and loss account	(1,093,744)	1,093,744
Dividends paid	-	(1,500,000)
Revaluation during the year	22,336,820	-
Balance at 30 September 2010	40,743,890	89,417,958

19 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	6,715,317	3,643,621
Dividends	(1,500,000)	-
	5,215,317	3,643,621
Other recognised gains and losses	22,336,820	444,533
Net addition to shareholders' funds	27,552,137	4,088,154
Opening shareholders' funds	102,609,811	98,521,657
Closing shareholders' funds	130,161,948	102,609,811

20 Financial commitments

At 30 September 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2011

	Land and buildings	
	2010 £	2009 £
Operating leases which expire In over five years	11,250	11,250

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

21 Directors' remuneration	2010	2009
	£	£
Remuneration for qualifying services	<u>49,500</u>	<u>63,000</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2009 - 1)

22 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2010	2009
	Number	Number
Office and management	5	5
Sales and distribution	6	7
	<u>11</u>	<u>12</u>

Employment costs	2010	2009
	£	£
Wages and salaries	399,351	459,330
Social security costs	46,662	53,866
	<u>446,013</u>	<u>513,196</u>

23 Ultimate parent company and controlling party

Conegate Holdings Limited is the company's immediate parent company and Mr D Sullivan is the ultimate controlling party by virtue of his shareholding in Conegate Holdings Limited

CONEGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2010**

24 Related party transactions

The material related party transactions during the year ended 30th September 2010 were

As at 30 September 2010, the following balances were due

- £70,134 (2009 £72,141) to Roldvale Limited, a company in which Mr D Sullivan is a director and controlling shareholder
- £1,776,397 (2009 £1,578,617) to Roldvale Trading Limited, a company in which Mr D Sullivan is a director and controlling shareholder

On 12th December 2008, the Roldvale & Associated Company Pension Scheme advanced a sum of £16m to the company as a loan for potential property acquisitions, on which interest is payable at base rate plus 1.5%. The Roldvale & Associated Company Pension Scheme took a fixed charge over various properties owned by the company. Mr D Sullivan who is a director of the company, is the sole member of the pension scheme. The loan is repayable in equal instalments over a period of 5 years.

The balance outstanding at the year end amounted to £10,802,278 (2009 £13,822,147) and is disclosed under creditors falling due within and after more than one year.

On 15th January 2010, Conegate Limited purchased 250 ordinary shares of £1 each for £5,411,998 in WH Holding Limited a company in which Mr D Sullivan is a director and shareholder. This represents 12.5% of the equity share capital of the company. Conegate Limited was also granted an option to buy some or all of its shares in the capital of WH Holding Limited on terms set out in the subscription and shareholders agreement ('Call Option'). During the year Conegate Limited exercised the option and acquired 112 ordinary shares of £1 each in WH Holding Limited for an aggregate consideration of £2,251,200. The ordinary shares were converted into deferred shares pursuant to a shareholder resolution passed on the 24th May 2010 and 9th August 2010 respectively. The deferred shares were repurchased by WH Holding Limited for an aggregate consideration of £2 from Conegate Limited in accordance with article 37.2 of the articles of association of the company. The deferred shares confer on their holders no voting or dividend rights.

The company has taken advantage of the exemption available under FRS 8 'Related Party Disclosures' not to disclose related party transactions for intergroup amounts because it is a 100% owned subsidiary of Conegate Holdings Limited.

CONEGATE LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 30 SEPTEMBER 2010

	2010	2009
	£	£
Administrative expenses		
Wages and salaries	349,851	396,330
Directors' remuneration	49,500	63,000
Employer's NI contributions	46,662	53,866
Rent	9,422	12,493
Insurance	33,114	57,547
Repairs and maintenance	3,342	2,297
Printing, postage and stationery	2,499	2,073
Telephone	6,229	5,120
Motor vehicle expenses	23,929	16,302
Travelling and entertainment expenses	8,685	8,065
Legal and professional fees	185,738	150,314
Accountancy	15,500	15,000
Audit fees	13,000	12,000
Bank charges	88	28
Sundry expenses	5,549	1,782
Charitable donations	60,947	39,232
Bad debts	37,315	-
Depreciation on fixtures, fittings & equipment	484	3,027
Depreciation on motor vehicles	22,955	22,958
Loss on disposal of tangible assets	600	-
	875,409	861,434