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Francis Clark

CHARTERED ACCOUNTANTS

The Loop Centre Limited
Unaudited Financial Statements
For
Year Ended 31 December 2005

Company Registration Number 4318908



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COMPANIES HOUSE 06/10/2006

The Loop Centre Limited

Financial Statements

Year Ended 31 December 2005

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The Loop Centre Limited

Directors' Report

Year Ended 31 December 2005

The directors present their report and the unaudited financial statements of the company for the year ended 31 December 2005.

Principal Activities

The company provides conference facilities, office accommodation and disaster recovery services.

The Directors and their Interests in the Shares of the Parent Company

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

	£1 ordinary shares in the parent company	
	At 31 December 2005	At 1 January 2005
Sir Benjamin Slade	51,174	51,174
Mr F Fulford	-	-

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Signed by order of the directors



Mr P Stickland
Company Secretary



The Loop Centre Limited

Profit and Loss Account

Year Ended 31 December 2005

	Note	2005 £	2004 £
Turnover		210,696	92,397
Cost of sales		—	(651)
Gross Profit		210,696	91,746
Administrative expenses		(223,613)	(295,678)
Operating Loss	2	(12,917)	(203,932)
Profit on disposal of fixed assets		551,211	—
		538,294	(203,932)
Interest receivable		—	132
Interest payable and similar charges		(300,473)	(265,572)
Profit/(Loss) on Ordinary Activities Before Taxation		237,821	(469,372)
Tax on profit/(loss) on ordinary activities	4	—	—
Profit/(Loss) for the Financial Year		237,821	(469,372)



The Loop Centre Limited

Balance Sheet

31 December 2005

	Note	2005 £	2004 £
Fixed Assets			
Tangible assets	5	<u>33,152</u>	<u>2,099,163</u>
Current Assets			
Debtors	6	106,631	54,599
Cash at bank		—	8,239
		<u>106,631</u>	<u>62,838</u>
Creditors: Amounts falling due within one year	7	<u>(131,637)</u>	<u>(74,404)</u>
Net Current Liabilities		<u>(25,006)</u>	<u>(11,566)</u>
Total Assets Less Current Liabilities		<u>8,146</u>	<u>2,087,597</u>
Creditors: Amounts falling due after more than one year	8	<u>(536,042)</u>	<u>(2,853,314)</u>
		<u>(527,896)</u>	<u>(765,717)</u>
Capital and Reserves			
Called-up equity share capital	10	57,194	57,194
Revaluation reserve	11	—	327,338
Profit and loss account	12	(585,090)	(1,150,249)
Deficit		<u>(527,896)</u>	<u>(765,717)</u>

The Balance sheet continues on the following page.



The Loop Centre Limited

Balance Sheet *(continued)*

31 December 2005

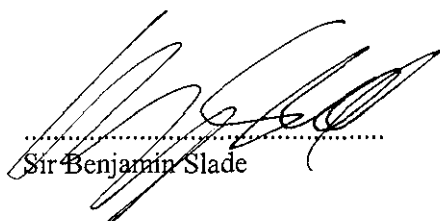
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements have been approved for issue by the Board of Directors on 28/09/06


.....
Sir Benjamin Slade



The Loop Centre Limited

Notes to the Financial Statements

Year Ended 31 December 2005

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of properties, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

At 31 December 2005 the company's balance sheet showed a deficiency of £527,896.

The company's activities are dependent on the continuing support of its parent undertaking, Loop Centre Holdings Limited and its other creditors. The activity of Loop Centre Holdings Limited is, in turn, dependent on the continuing support of its own bankers and creditors.

The financial statements have been prepared on a going concern basis which assumes that Loop Centre Holdings Limited will be able to continue to provide support for the foreseeable future.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise, and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

(b) Changes in accounting policies

During the year the company adopted the Financial Reporting Standard for Smaller Entities (effective January 2005). There have been no changes to the accounts as a consequence of the adoption.

(c) Turnover

The turnover shown in the Profit and Loss Account represents amounts invoiced during the year, exclusive of Value Added Tax.

(d) Fixed assets

All fixed assets are initially recorded at cost.

(e) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	- 50 years straight line
Fixtures & Fittings	- 20% reducing balance



The Loop Centre Limited

Notes to the Financial Statements

Year Ended 31 December 2005

1. Accounting Policies *(continued)*

Freehold land is not depreciated.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

2. Operating Loss

Operating loss is stated after charging:

	2005 £	2004 £
Depreciation of owned fixed assets	<u>47,402</u>	<u>37,290</u>

3. Exceptional Item

The company disposed of its only freehold property in the year to its parent undertaking, leading to a profit of £518,018.

4. Taxation on Ordinary Activities

No Corporation Tax liability has arisen on the profit for the year as it relates entirely to the sale of the company's freehold property which was transferred to its parent undertaking, a transaction which is exempt from taxation.



The Loop Centre Limited

Notes to the Financial Statements

Year Ended 31 December 2005

5. Tangible Fixed Assets

	Freehold Property £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2005	2,100,000	36,454	2,136,454
Additions	–	21,391	21,391
Disposals	(2,100,000)	–	(2,100,000)
At 31 December 2005	<u>–</u>	<u>57,845</u>	<u>57,845</u>
Depreciation			
At 1 January 2005	30,000	7,291	37,291
Charge for the year	30,000	17,402	47,402
On disposals	(60,000)	–	(60,000)
At 31 December 2005	<u>–</u>	<u>24,693</u>	<u>24,693</u>
Net Book Value			
At 31 December 2005	<u>–</u>	<u>33,152</u>	<u>33,152</u>
At 31 December 2004	<u>2,070,000</u>	<u>29,163</u>	<u>2,099,163</u>

In respect of properties stated at valuations, the comparable historical cost and depreciation values are as follows:

	2005 £	2004 £
Net book value at end of year	<u>–</u>	<u>2,070,000</u>
Historical cost	<u>–</u>	<u>1,809,602</u>
Depreciation:		
At 1 January 2005	–	37,000
Charge for year	–	30,000
At 31 December 2005	<u>–</u>	<u>67,000</u>
Net historical cost value:		
At 31 December 2005	<u>–</u>	<u>1,742,602</u>
At 1 January 2005	<u>–</u>	<u>1,772,602</u>

6. Debtors

	2005 £	2004 £
Other debtors	<u>106,631</u>	<u>54,599</u>



The Loop Centre Limited

Notes to the Financial Statements

Year Ended 31 December 2005

7. Creditors: Amounts falling due within one year

	2005 £	2004 £
Bank loans and overdrafts	12,150	—
Trade creditors	76,790	59,094
Other taxation	5,155	1,091
Other creditors	37,542	14,219
	<u>131,637</u>	<u>74,404</u>

8. Creditors: Amounts falling due after more than one year

	2005 £	2004 £
Bank loans and overdrafts	—	1,450,000
Amounts owed to group undertakings	452,492	—
Other creditors	83,550	1,403,314
	<u>536,042</u>	<u>2,853,314</u>

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	2005 £	2004 £
Bank loans and overdrafts	—	1,450,000
Other creditors	—	1,342,564
	<u>—</u>	<u>2,792,564</u>

9. Related Party Transactions

At the year end the parent undertaking of The Loop Centre Limited was Loop Centre Holdings Limited, a company under the control of Sir Benjamin Slade.

At the year end the company owed £83,550 (2004 - £1,403,314) to Shirlstar Finance Limited, a company under the control of Sir Benjamin Slade.

During the year the company received rental income of £180,000 (2004 - £30,000), for the use of the company's conferencing facilities from South West Conference Centre Limited, a company under the control of Sir Benjamin Slade.

During the year various expenses were paid by South West Conference Centre Limited on behalf of the company. At the year end the company was owed £61,697 (2004 - £33,218) by South West Conference Centre Limited.

During the year the company sold its freehold property, The Loop Centre, to its parent undertaking for £2,500,000.



The Loop Centre Limited

Notes to the Financial Statements

Year Ended 31 December 2005

10. Share Capital

Authorised share capital:

	2005 £	2004 £
Equity shares		
64,112 Ordinary shares of £1 each	<u>64,112</u>	<u>64,112</u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Equity shares				
Ordinary shares of £1 each	<u>57,194</u>	<u>57,194</u>	<u>57,194</u>	<u>57,194</u>

11. Revaluation Reserve

	2005 £	2004 £
Balance brought forward	327,338	327,338
Transfer to the Profit and Loss Account	<u>(327,338)</u>	<u>—</u>
Balance carried forward	<u>—</u>	<u>327,338</u>

12. Profit and Loss Account

	2005 £	2004 £
Balance brought forward	(1,150,249)	(680,877)
Profit/(loss) for the financial year	237,821	(469,372)
Transfer from revaluation reserve	<u>327,338</u>	<u>—</u>
Balance carried forward	<u>(585,090)</u>	<u>(1,150,249)</u>

13. Ultimate parent company

The company's ultimate parent undertaking is Loop Centre Holdings Limited, which is incorporated in England and Wales. Copies of its accounts are available from Companies House. The ultimate controlling party is Sir Benjamin Slade, who is a director of the company.





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