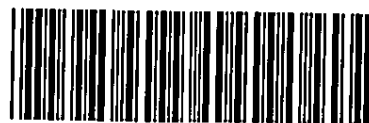


COMPANY REGISTRATION NUMBER 3553907

OUTER PROPERTY LIMITED
FINANCIAL STATEMENTS
30 JUNE 2009

WEDNESDAY



AFIOJRN

A54

31/03/2010

131

COMPANIES HOUSE

OUTER PROPERTY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

CONTENTS	PAGE
Officers and professional advisers	1
Director's report	2
Independent auditor's report to the members	4
Profit and loss account	6
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9

OUTER PROPERTY LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The director	Mr G A Mihalcheon
Company secretary	A Mihalcheon
Registered office	13 - 14 Dean Street London W1D 3RS
Auditor	Nexia Smith & Williamson LLP Chartered Accountants & Statutory Auditor Portwall Place Portwall Lane Bristol BS1 6NA
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ

OUTER PROPERTY LIMITED

DIRECTOR'S REPORT

YEAR ENDED 30 JUNE 2009

The director presents his report and the financial statements of the company for the year ended 30 June 2009

PRINCIPAL ACTIVITY

The principal activity of the company during the year continued to be that of property letting, development and sales

DIRECTOR

The director who served the company during the year was as follows

Mr G A Mihalcheon

DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

In so far as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

Nexia Smith & Williamson LLP are deemed to be reappointed as auditors

OUTER PROPERTY LIMITED

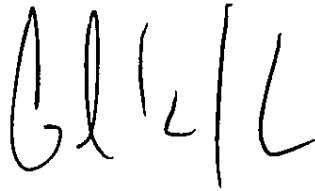
DIRECTOR'S REPORT *(continued)*

YEAR ENDED 30 JUNE 2009

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by

A handwritten signature in black ink, appearing to read 'G A Mihalcheon'.

Mr G A Mihalcheon
Director

Approved by the director on 29 May 2010

OUTER PROPERTY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUTER PROPERTY LIMITED

YEAR ENDED 30 JUNE 2009

We have audited the financial statements of Outer Property Limited for the year ended 30 June 2009 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor's 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 DIRECTOR AND AUDITOR

As explained more fully in the Director's Report set out on pages 2 and 3, the director is 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/UKNP.

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 June 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £92,377 during the year ended 30 June 2009. This condition, along with the other matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

OUTER PROPERTY LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUTER
PROPERTY LIMITED**

YEAR ENDED 30 JUNE 2009

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Director's Report for the financial year 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements and the director's report in accordance with the small companies regime

Carl Deane
Senior Statutory Auditor for and on behalf of
Nexia Smith & Williamson LLP
Chartered Accountants
Statutory Auditor

Portwall Place
Portwall Lane
Bristol
BS1 6NA
31 March 2010

OUTER PROPERTY LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2009

	Note	2009 £	2008 £
TURNOVER		98,701	85,799
Cost of sales		(15,493)	(29,035)
GROSS PROFIT		83,208	56,764
Administrative expenses		(22,849)	(28,186)
OPERATING PROFIT	2	60,359	28,578
Interest receivable	3	247	92
Interest payable and similar charges		(152,983)	(177,692)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(92,377)	(149,022)
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		(92,377)	(149,022)

The notes on pages 9 to 12 form part of these financial statements.

OUTER PROPERTY LIMITED**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES****YEAR ENDED 30 JUNE 2009**

	2009 £	2008 £
Loss for the financial year attributable to the shareholders	(92,377)	(149,022)
Unrealised loss on revaluation of certain fixed assets	<u>(375,000)</u>	<u>(406,966)</u>
Total gains and losses recognised since the last annual report	<u>(467,377)</u>	<u>(555,988)</u>

The notes on pages 9 to 12 form part of these financial statements.

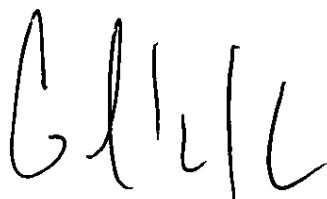
OUTER PROPERTY LIMITED**BALANCE SHEET****30 JUNE 2009**

	Note	2009 £	2008 £
FIXED ASSETS			
Tangible assets	4	3,378,034	3,753,034
CURRENT ASSETS			
Debtors	5	1,528	1,528
Cash at bank		—	62,175
		<u>1,528</u>	<u>63,703</u>
CREDITORS: Amounts falling due within one year	6	<u>(3,132,994)</u>	<u>(3,102,792)</u>
NET CURRENT LIABILITIES		<u>(3,131,466)</u>	<u>(3,039,089)</u>
NET ASSETS		<u>246,568</u>	<u>713,945</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	40	40
Revaluation reserve	9	653,954	1,028,954
Profit and loss account	10	<u>(407,426)</u>	<u>(315,049)</u>
EQUITY SHAREHOLDERS' FUNDS		<u>246,568</u>	<u>713,945</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved on 29 May 2010

Mr G A Mihalcheon
Director



Company Registration Number 3553907

The notes on pages 9 to 12 form part of these financial statements.

OUTER PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

At 30 June 2009 the financial statements show net assets of £246,568. The financial statements have been prepared on a going concern basis, the validity of which depends upon the continued support of companies under common control.

The continued support of companies under common has been confirmed for the foreseeable future, being for a period of not less than 12 months from the date of signing these financial statements. The director therefore considers it appropriate to adopt the going concern basis of preparation for these financial statements, although the company's losses necessarily cast doubt on this assessment. The financial statements do not contain any adjustments that would be necessary should this basis not be appropriate.

Turnover

The turnover in the profit and loss account represents amounts earned in respect of rents receivable from tenants during the year.

Investment properties

The company's properties are held as investment properties in accordance with Statement of Standard Accounting Practice 19. They are included in the balance sheet at their open market value. The surplus or deficit on annual revaluation of the property is transferred to the investment property revaluation reserve. Depreciation is not provided in respect of investment properties.

The policy represents a departure from the Companies Act 2006, which requires depreciation to be provided on all fixed assets. The carrying value is considered annually by the director in the light of known movements and trends in the property markets and taking account of the director's knowledge and experience of the marketplace for such properties. Periodically, the director consults with professional advisors to confirm that their views are in line with those of the industry. The director considers that this accounting policy results in the financial statements giving a true and fair view.

OUTER PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. OPERATING PROFIT

Operating profit is stated after crediting

	2009	2008
	£	£
Auditor's fees	—	—

3. INTEREST RECEIVABLE

	2009	2008
	£	£
Bank interest receivable	247	92

4. TANGIBLE FIXED ASSETS

	Investment property £
COST OR VALUATION	
At 1 July 2008	3,753,034
Revaluation	(375,000)
At 30 June 2009	<u>3,378,034</u>
DEPRECIATION	
At 1 July 2008 and 30 June 2009	—
NET BOOK VALUE	
At 30 June 2009	<u>3,378,034</u>
At 30 June 2008	<u>3,753,034</u>

OUTER PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

4. TANGIBLE FIXED ASSETS *(continued)*

The investment properties were revalued by the director at 30 June 2009. The director considers the open market value of the investment properties at 30 June 2009 to be £3,378,034 (2008 - £3,753,034). The comparable historical cost of these investment properties is £2,724,080 (2008 - £2,724,080).

5. DEBTORS

	2009	2008
	£	£
Prepayments and accrued income	<u>1,528</u>	<u>1,528</u>

6. CREDITORS: Amounts falling due within one year

	2009	2008
	£	£
Bank loans and overdrafts	2,271,582	2,262,916
Trade creditors	42,200	15,379
Amounts owed to group undertakings	813,662	818,947
Other creditors	5,550	5,550
	<u>3,132,994</u>	<u>3,102,792</u>

The bank loans of £438,000 for the freehold of 24 Hereford Square, £1,494,916 for the leasehold of flats 2 and 5, 24 Hereford Square and £330,000 for the leasehold of flat 3 are secured by a first legal charge on these properties.

There is also a personal guarantee over the bank loan from the director, Mr G A Mihalcheon, limited to £700,000 and a guarantee from Mrs A Mihalcheon, limited to £850,000.

7. RELATED PARTY TRANSACTIONS

As at 30 June 2009, the company owed £813,662 (2008 £818,947) to Outer Holdings Limited, the parent undertaking.

The ultimate controlling party is Mr G A Mihalcheon, the 100% shareholder of Outer Holdings Limited.

8. SHARE CAPITAL

Authorised share capital:

	2009	2008
	£	£
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

Allotted, called up and fully paid:

	2009		2008	
	No	£	No	£
Ordinary shares of £1 each	<u>40</u>	<u>40</u>	<u>40</u>	<u>40</u>

OUTER PROPERTY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 JUNE 2009

9. REVALUATION RESERVE

	2009 £	2008 £
Balance brought forward	1,028,954	1,435,920
Revaluation of fixed assets	(375,000)	(406,966)
Balance carried forward	<u>653,954</u>	<u>1,028,954</u>

10. PROFIT AND LOSS ACCOUNT

	2009 £	2008 £
Balance brought forward	(315,049)	(166,027)
Loss for the financial year	<u>(92,377)</u>	<u>(149,022)</u>
Balance carried forward	<u>(407,426)</u>	<u>(315,049)</u>